

Investment Thesis Bitcoin BTC

Basic Information

Token type	Cryptocurrency
Price	\$66,684
GCCS Classifcation	Payment Platform, Infrastructure, Cryptocurrency
Sector	Payment Platform

Source: CoinGecko, Data as of November 4, 2024

Key Metrics

98
24
7%
4T
3B
тс
тс
6B
тс

Data as of November 4, 2024

Overview

Bitcoin (BTC) is the largest cryptocurrency by market capitalization, introduced in 2008 by the pseudonymous Satoshi Nakamoto as a decentralized "peer-to-peer electronic cash system." Combining blockchain technology with Proof-of-Work (PoW) consensus, Bitcoin created an immutable monetary system, solving the double-spending problem and enabling trustless, censorship-resistant value transfer. With a fixed supply of 21 million BTC, Bitcoin's scarcity underpins its appeal as a store of value and hedge against inflation. As a result, Bitcoin is increasingly viewed as a strategic reserve asset, with El Salvador leading the way by adopting it as a legal tender. Other nations are exploring similar strategies, such as Bhutan, which leverages mining for revenue, while the U.S. could see broader adoption under potentially more favorable political leadership.

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4 November 2024

In 2024, Bitcoin achieved new heights in adoption and institutional interest. The launch of Bitcoin spot ETFs accumulated over \$70 billion in assets under management, reflecting unprecedented capital inflows and further legitimizing

Bitcoin's ecosystem continues to grow, with scaling solutions like the Lightning Network enabling fast, low-cost transactions and Stacks introducing smart contracts and DeFi functionality. Innovations like Ordinals and BRC-20 tokens are driving demand for block space and increasing miner revenues.

- January 3, 2009: The Genesis Block was mined by Satoshi Nakamoto, creating the first 50 BTC and launching the Bitcoin network.
- June 2021: El Salvador became the first nation to adopt Bitcoin as legal tender and include it in its national reserves.
- **December 2022:** The introduction of Ordinals enabled Bitcoin-native NFTs, embedding image-related data onto the blockchain.
- March 2023: The BRC-20 fungible token standard was launched, driving demand for block space and increasing miner revenues.
- April 2024: Bitcoin underwent its fourth halving, reducing miner rewards to 3.125 BTC per block, further cementing its deflationary scarcity model.
- January 2024: The launch of multiple Bitcoin spot ETFs brought unprecedented institutional adoption, currently accumulating \$70 billion in assets under management.

Key takeaways

its role within traditional finance.

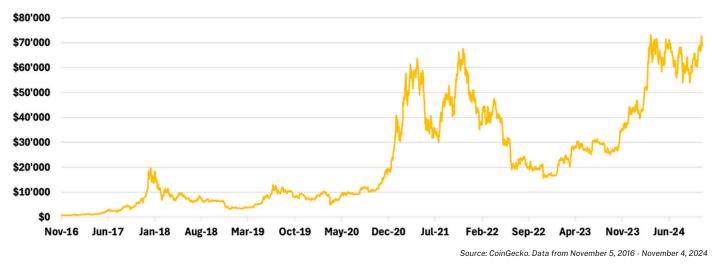
- **Bitcoin formally introduced blockchain technology**, solving the doublespending problem and creating a decentralized monetary system.
- **Bitcoin's fixed supply of 21 million BTC** positions it as "Digital Gold", serving as a potential strategic reserve asset and inflation hedge.
- The launch of Bitcoin spot ETFs in 2024, with over \$70 billion in assets, highlights surging interest.
- Scaling solutions like the Lightning Network and Stacks, alongside innovations like Ordinals and BRC-20 tokens, expand Bitcoin's utility.

Risk factors

- **Miner Sustainability:** As block rewards diminish through halvings, miners' profitability becomes increasingly reliant on transaction fees, which may be insufficient to sustain operations in the long term.
- **Technological Risk:** Bitcoin's growing ecosystem may reveal limitations that hinder its ability to support emerging use cases effectively.

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Price Performance



Total Value Locked



Source: Artemis. Data from November 5, 2021 - November 4, 2024

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