



DIGITAL GOLD INSTITUTE

# XXIII Quarterly Report

## Bitcoin, crypto-assets, and blockchain

Q3 2024 edition



# Digital Gold Institute's activities



## Consulting

Empowering professional expertise in Bitcoin, crypto, and blockchain.



## Training

Advanced education programs on Bitcoin and blockchain technology.



## Research

Reports and academic research, with a focus on the Crypto Asset Lab (CAL).



## Development

We write code. Check out our OpenTimestamps calendar and btclib.



# Michele Mandelli

**Deloitte.**

**BCG** BOSTON CONSULTING GROUP

18 years in strategic consulting for the financial services sector

**DGI** DIGITAL GOLD INSTITUTE  
 **CHECKSIG**

Bitcoin and crypto focus since 2016



# Ferdinando Ametrano



DIGITAL GOLD INSTITUTE  
**CHECKSIG**



Bitcoin since 2014

INTESA SANPAOLO



20+ years of banking experience

Markets



Ecosystem

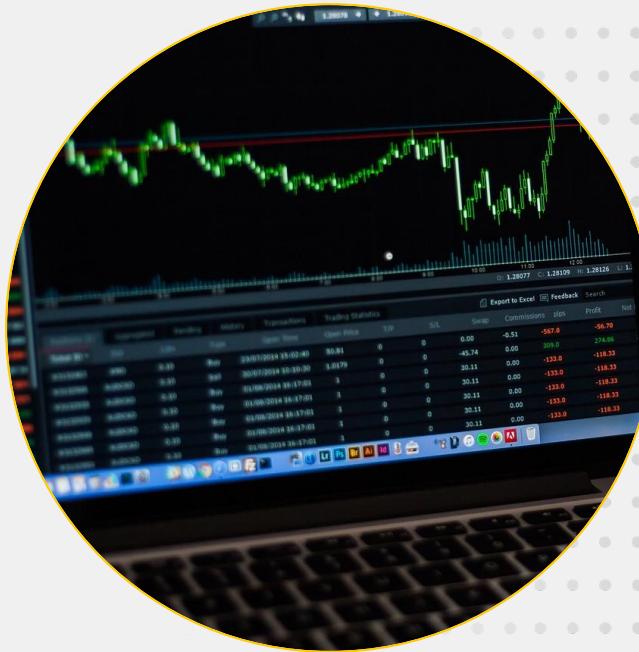
Regulation



Technology

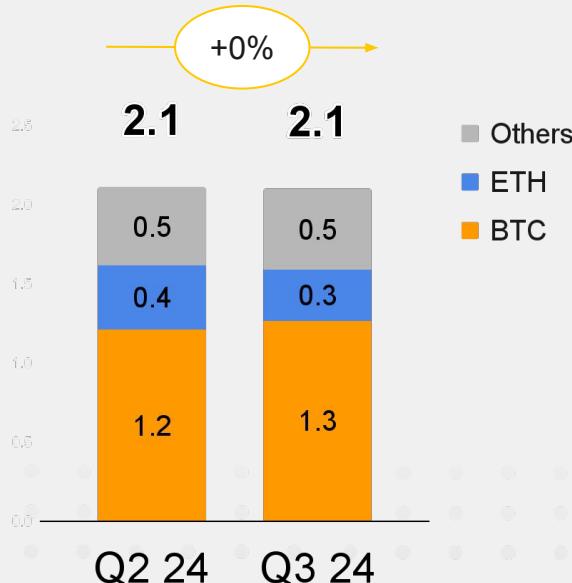
# 01

## Markets Performances



# Q3 2024 Overview: Market Stabilizes as Bitcoin Gains Momentum, Ether Loses Ground

## Total Market Capitalization \$Tr, excluding stablecoins



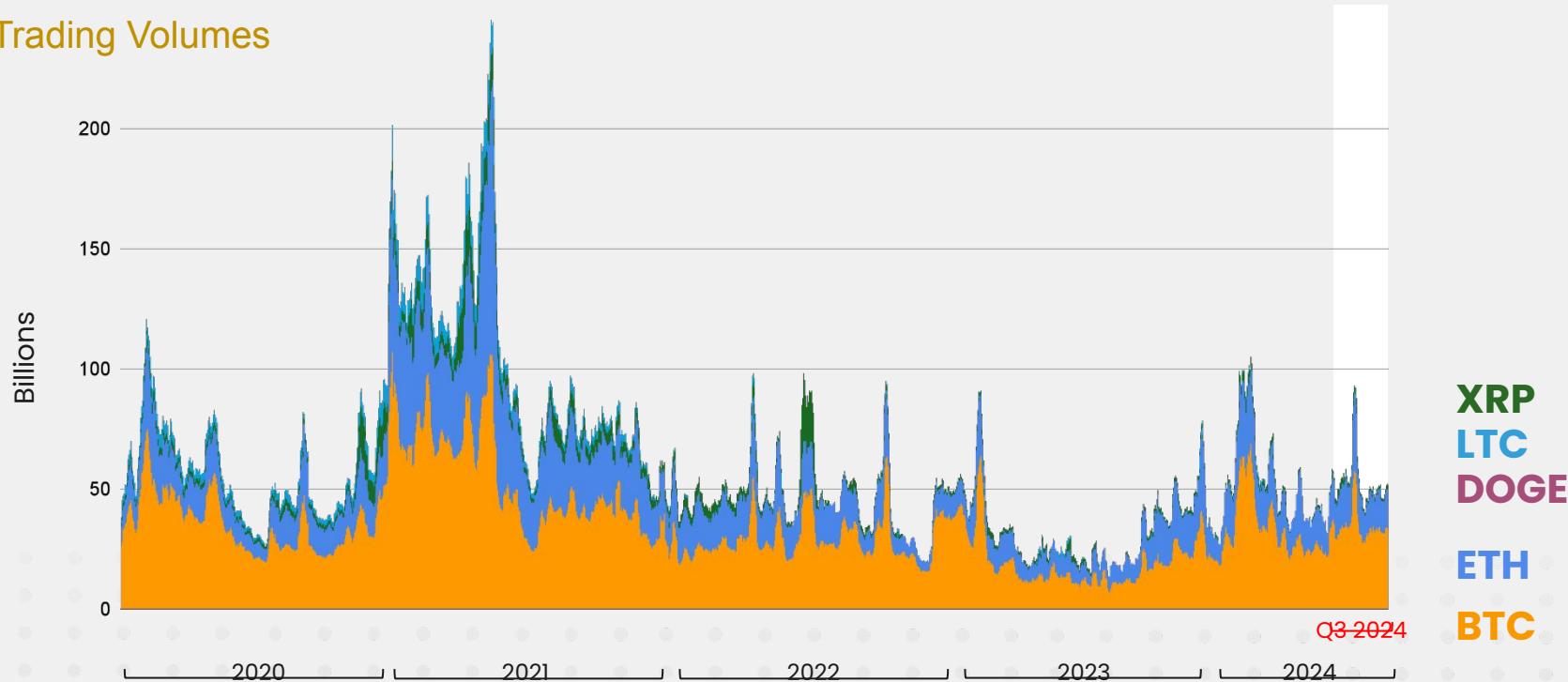
## Top Crypto by Traded Volumes Quarterly Performance

Cryptocurrency	Q3 Closing Price \$	Performance %
Bitcoin	63,715.65 \$	+5%
Ether	2,612.27 \$	-21%
BNB	573.75 \$	+1%
Solana	154.70 \$	+5%
Ripple	0.62 \$	+32%
Doge	0.11 \$	-8%

Source: Digital Gold Institute 2024, CoinMarketCap

# BTC Dominates Trading Volumes; ETH Holds the Second Largest Share, with Minor Cyclical Memecoins Contributions

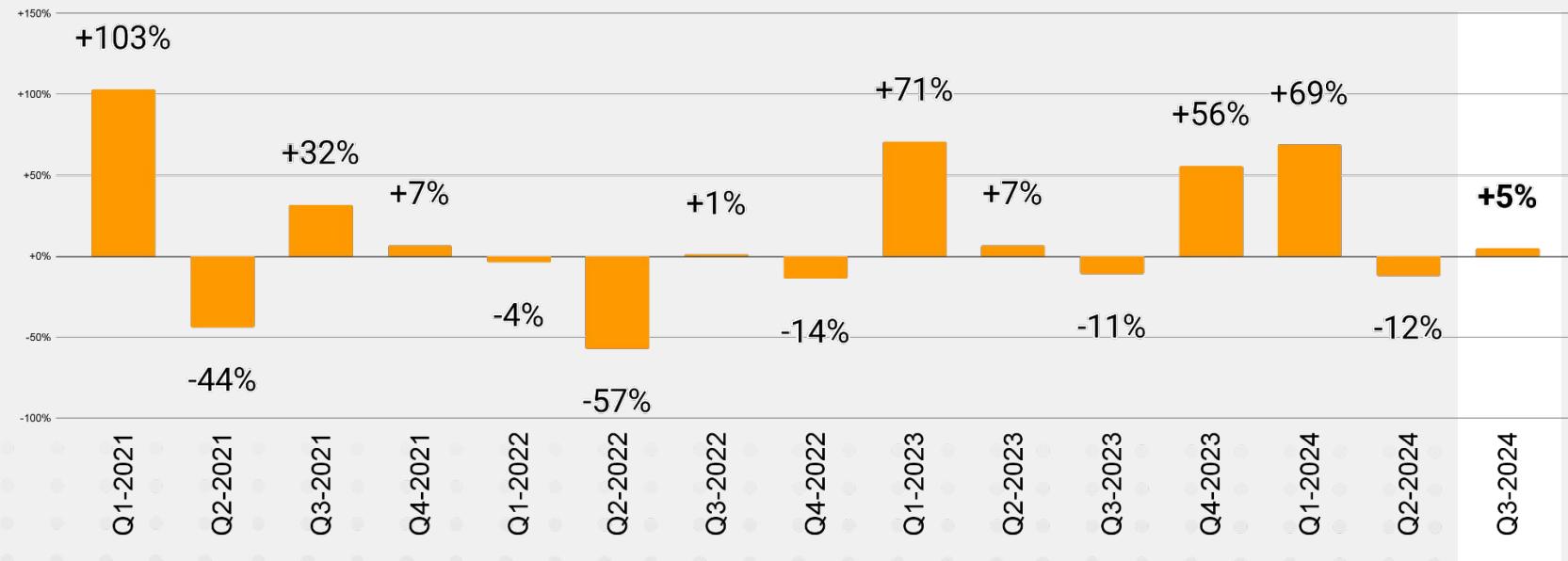
Trading Volumes



Source: Digital Gold Institute 2024, CoinMarketCap

# A Six-Month Phase of Post-Bull Run Consolidation: Bitcoin Trades Sideways in Q3, in line with Q2 Trends

BTC quarterly performance



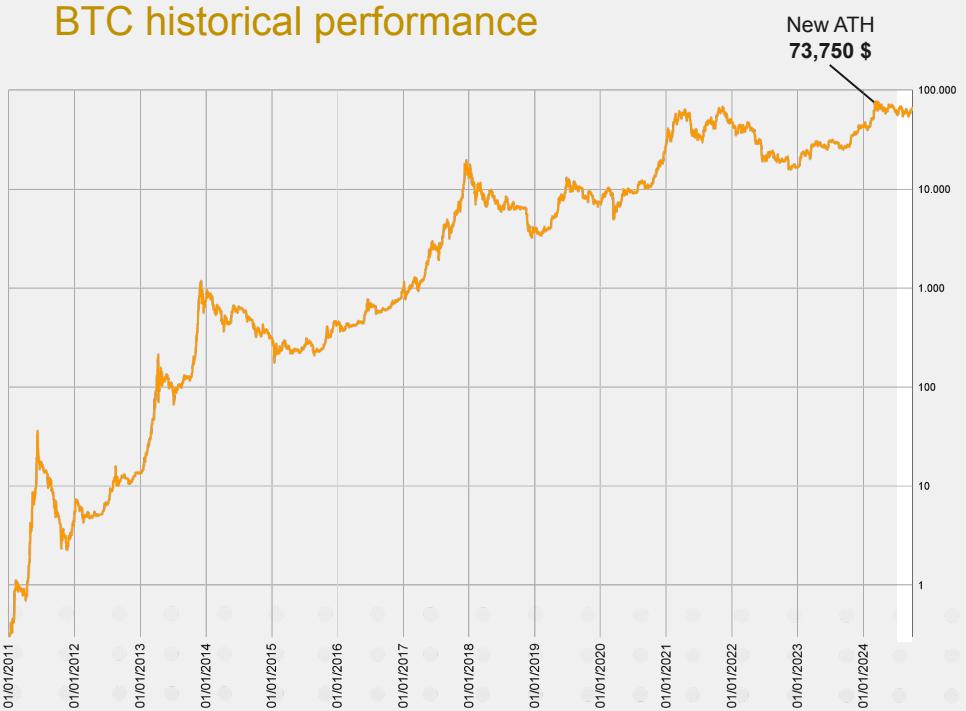
Source: Digital Gold Institute 2024, CoinMarketCap

# Bitcoin's Unstoppable Long-Term Performance: Best Performing Asset in 9 of the Last 12 Years...

Multi-asset yearly performance ranking

	Top Performer	Second Best	Third Best
2012	Bitcoin (217.9%)	MSCI EM (18.6%)	Russell 2000 (16.4%)
2013	Bitcoin (5428.4%)	Russell 2000 (38.8%)	S&P 500 (32.4%)
2014	REITS (7.4%)	Infrastructure (7.4%)	Equities (4.2%)
2015	Bitcoin (36.2%)	REITS (0.1%)	Small Caps (-1.0%)
2016	Bitcoin (120.3%)	High Yield (14.3%)	Commodities (11.8%)
2017	Bitcoin (1403.2%)	Equities (24.0%)	Small Caps (23.8%)
2018	US Treasuries (-0.4%)	Gold (-0.9%)	IG Bonds (-1.2%)
2019	Bitcoin (94.8%)	Equities (26.6%)	Small Caps (24.7%)
2020	Bitcoin (305.1%)	Gold (24.6%)	Small Caps (16.3%)
2021	Bitcoin (59.8%)	REITS (27.2%)	Commodities (27.1%)
2022	Commodities (16.1%)	Gold (0.4%)	Infrastructure (-4.7%)
2023	Bitcoin (152.9%)	Equities (22.2%)	Small Caps (16.8%)

BTC historical performance



Source: WisdomTree Crypto Update - September 2024

# ...On Track to Lead Again in 2024

Year-to-date Bitcoin performance



Yearly Bitcoin performance

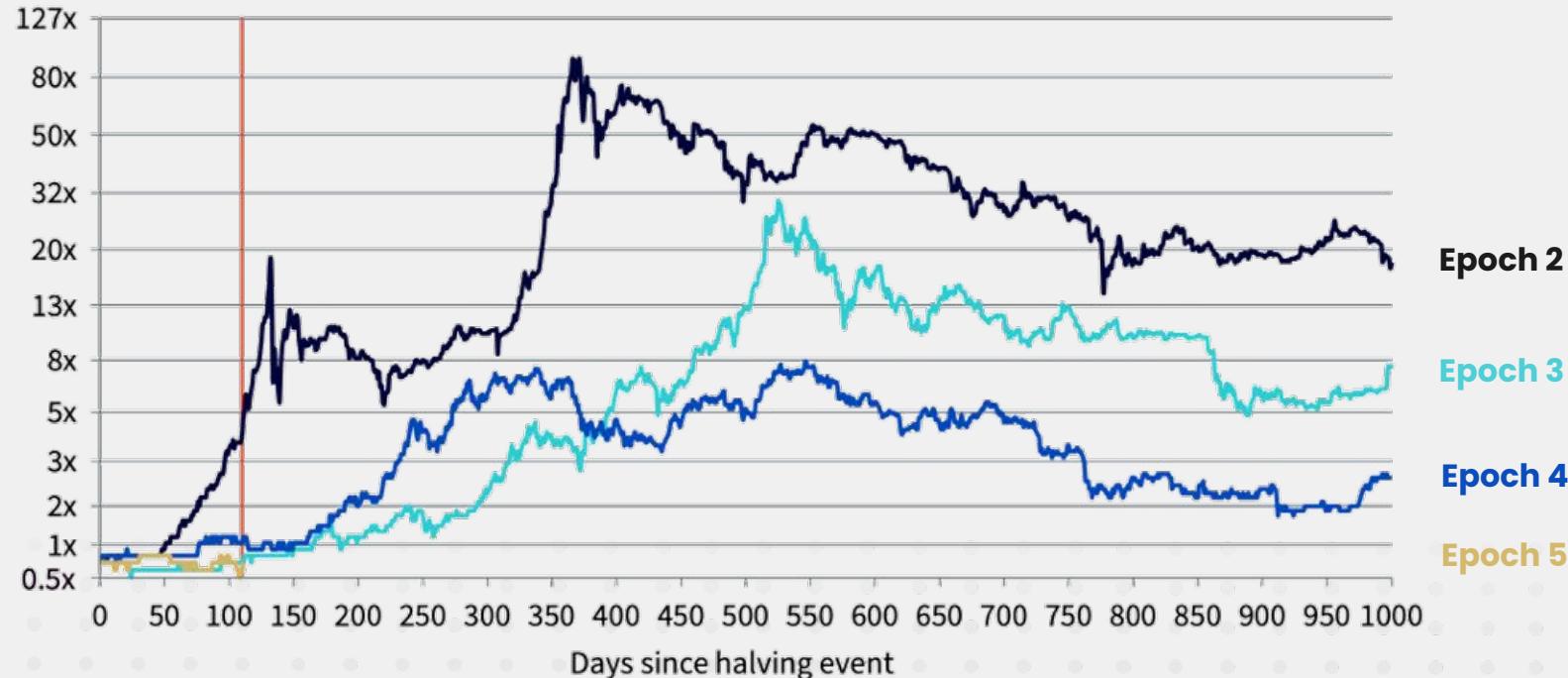


Source: Digital Gold Institute 2024, CoinMarketCap

# The Bitcoin halving -although quantitatively irrelevant- has always been a bullish event

BTC performance since each halving

A self-fulfilling prophecy?

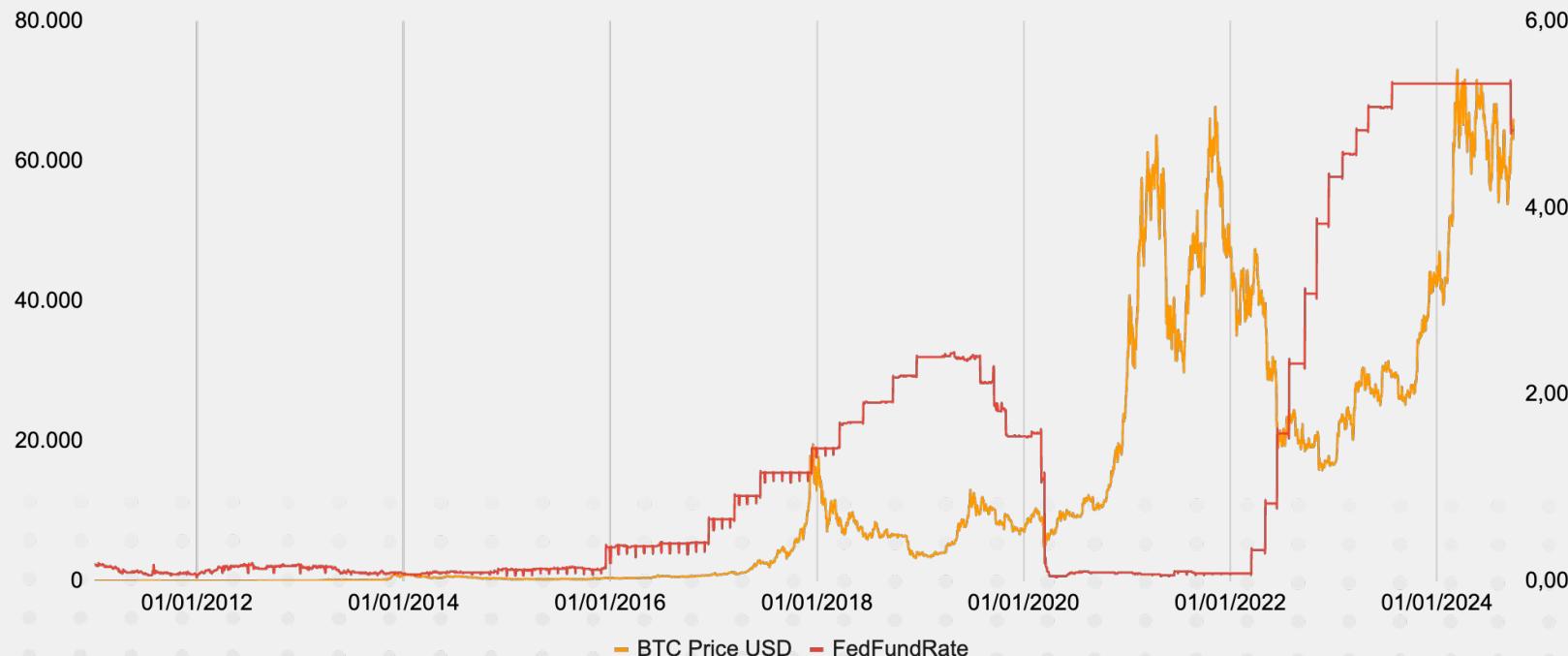


Source: WisdomTree Crypto Update - September 2024

# Impending Central Bank Rate Cuts Historically Favor Bitcoin and Crypto

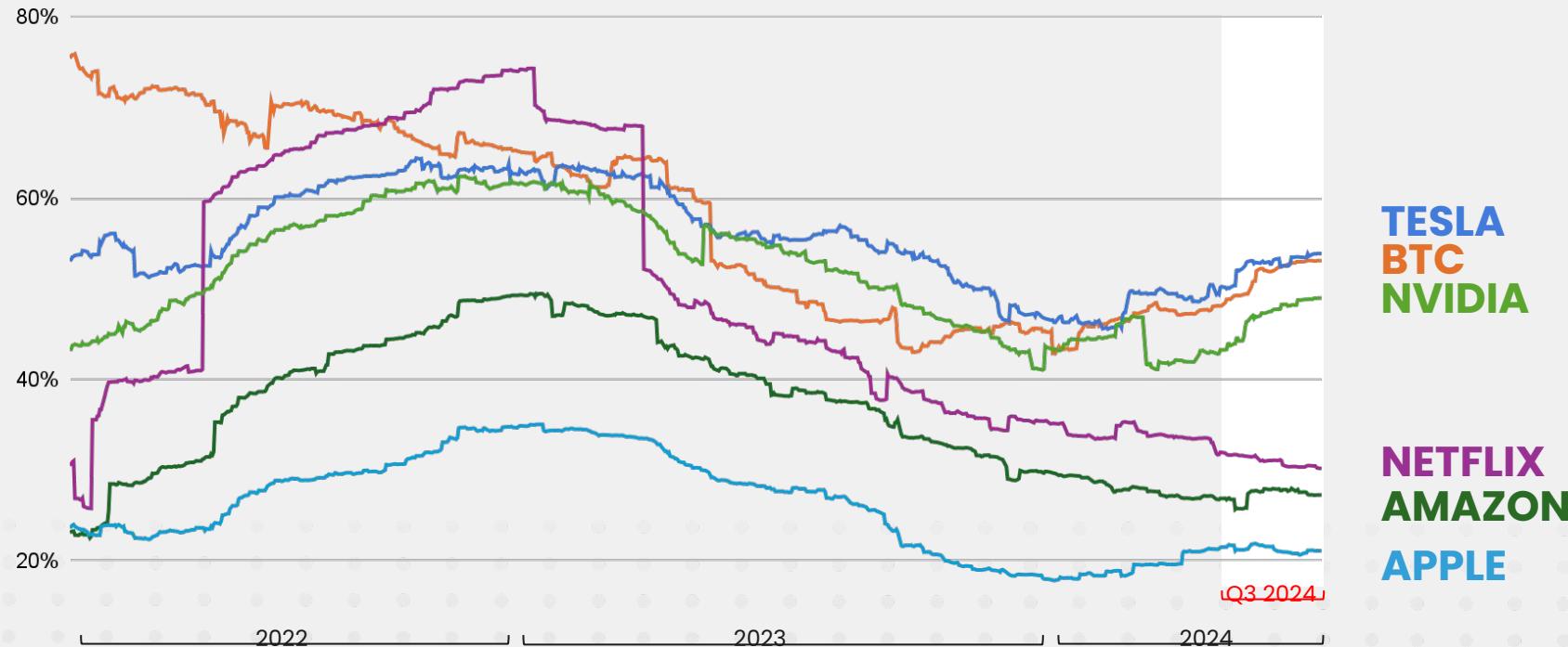
## BTC Price and Fed Rate

USD (left), pp (right)



# Bitcoin's Volatility Rises Again in Q3 2024, Yet Remains Comparable to Leading North American Tech Stocks

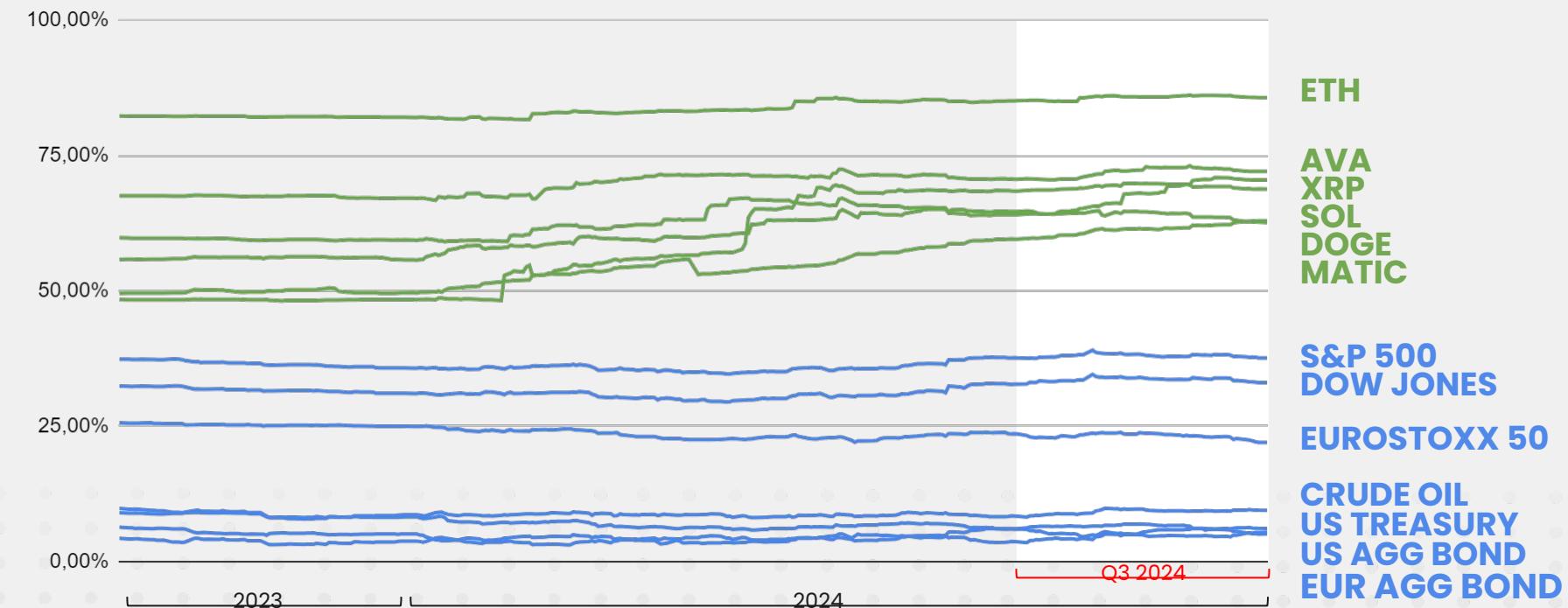
Volatility of Bitcoin and Major Tech Stocks



Source: Digital Gold Institute 2024

# Traditional assets are uncorrelated with crypto, while all cryptos are highly correlated with BTC

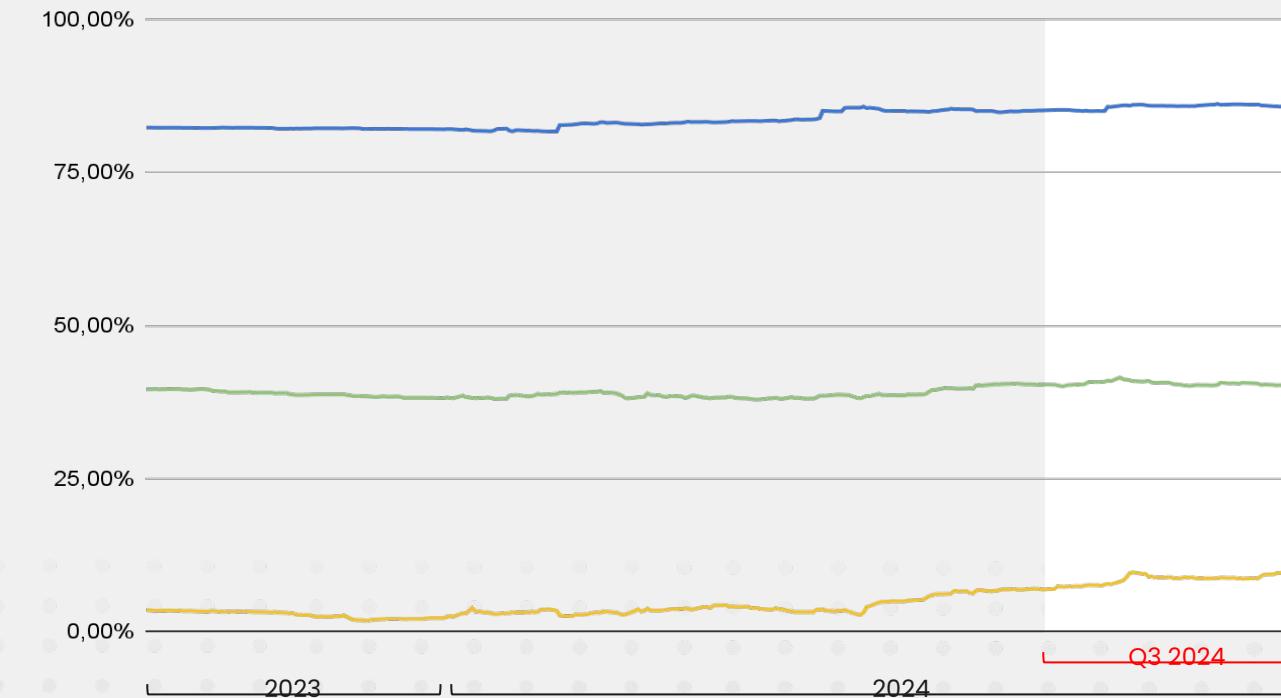
## 1-Year BTC Correlation



Source: Digital Gold Institute 2024

# Bitcoin Remains Uncorrelated with Gold and Nasdaq, Reinforcing Its Status as a Distinct Asset Class

## 1-Year BTC Correlation



ETH

NASDAQ

GOLD

Q3 2024

Source: Digital Gold Institute 2024

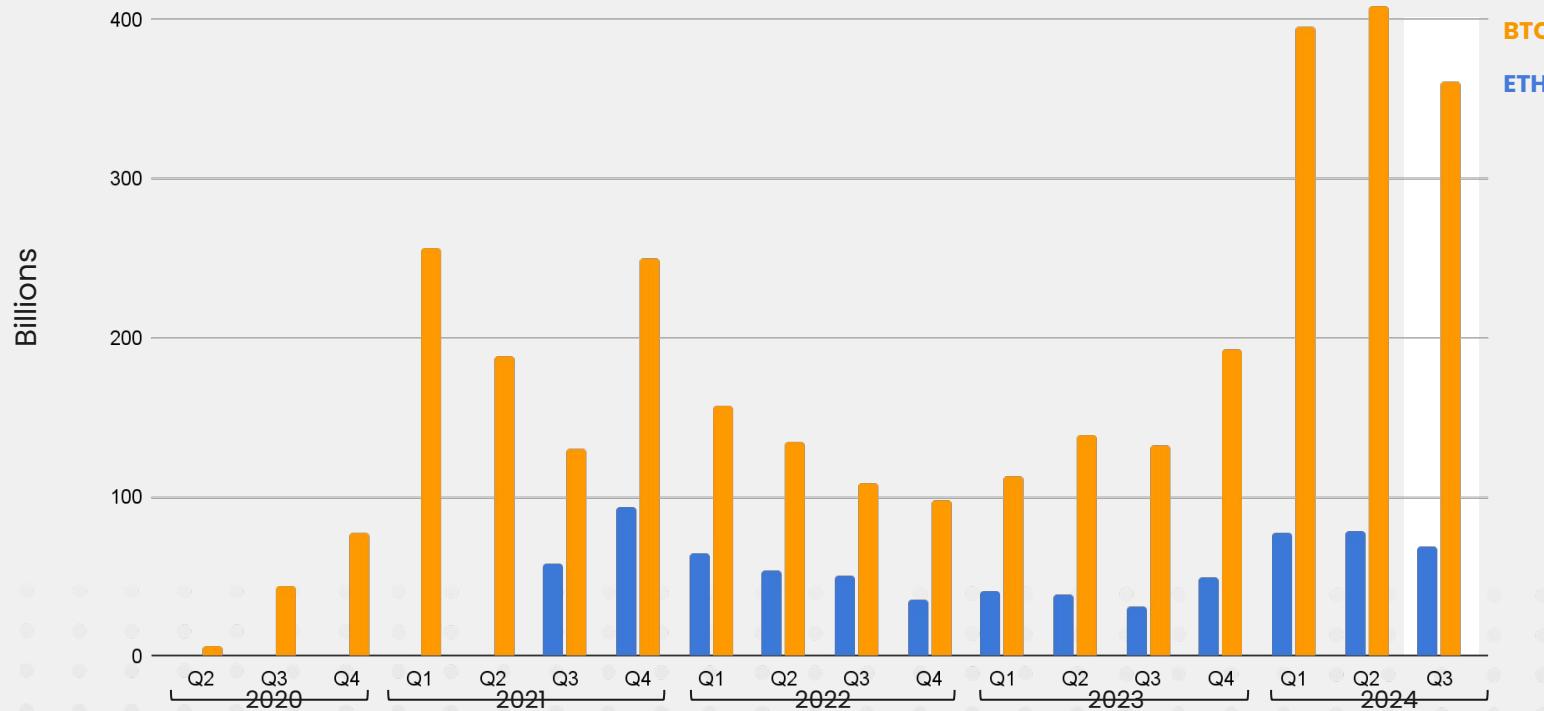
# 01

## Markets Going Institutional



# CME futures: highest volume ever

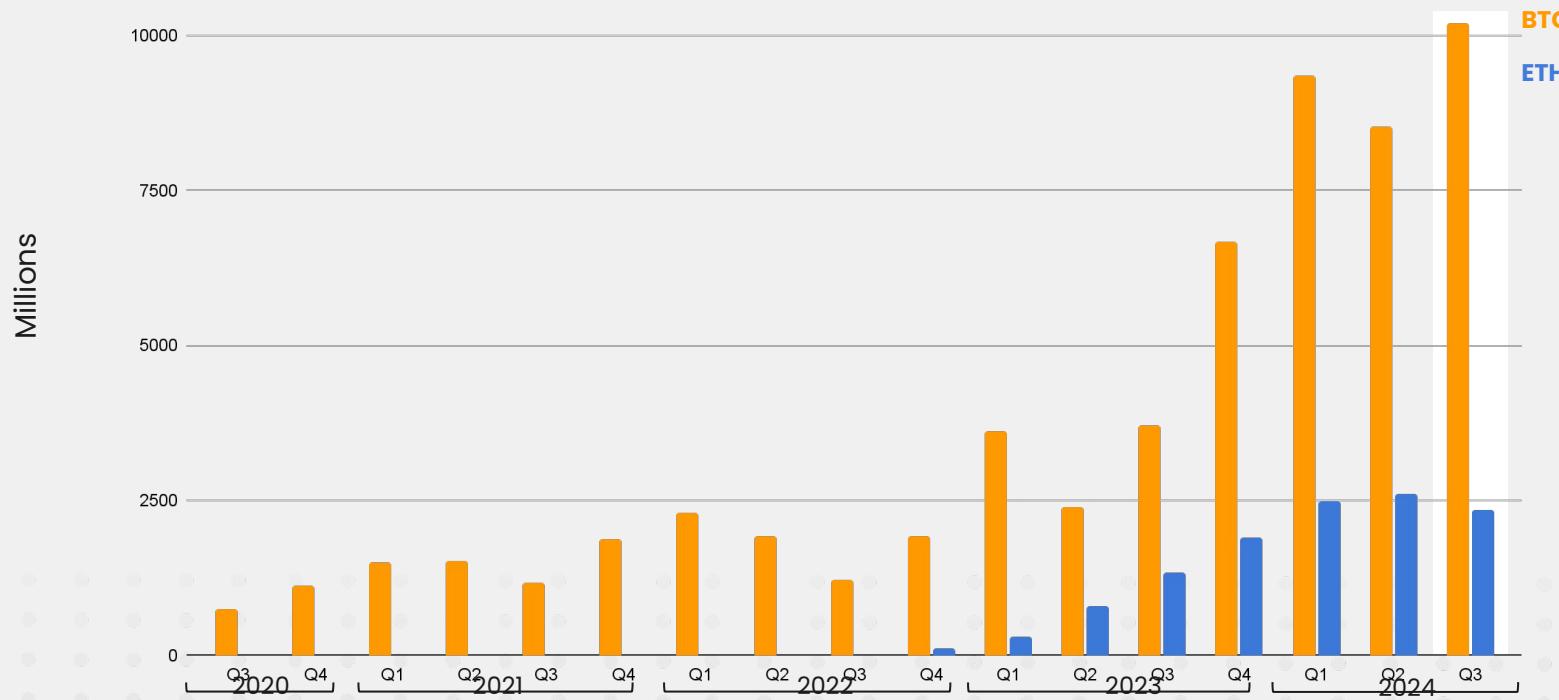
BTC and ETH futures



Source: Digital Gold Institute 2024

# CME options: highest volume ever

BTC and ETH options

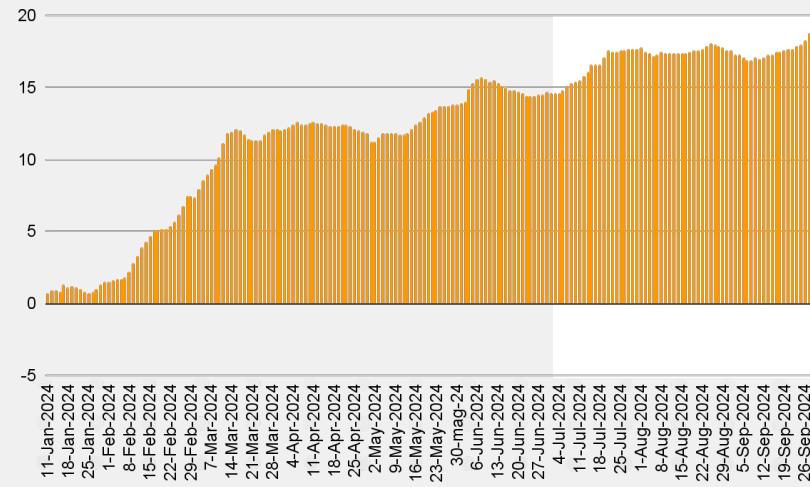


Source: Digital Gold Institute 2024

# BTC ETFs Reach Record Highs Despite Slowing Momentum; ETH ETFs Face Negative Net Flows in the First Few Weeks

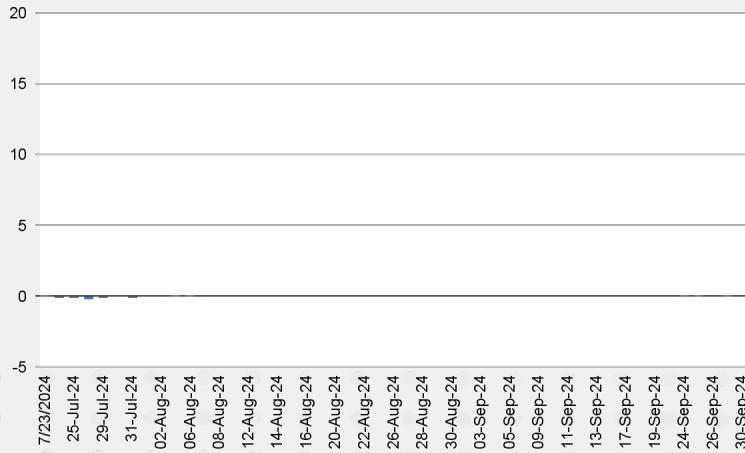
Bitcoin ETF Net Flows

USD B



Ether ETF Net Flows

USD B



Source: Digital Gold Institute 2024, Farside

# EU traditional intermediaries are focusing on spot crypto

EU financial institutions pioneering crypto services



**BNP PARIBAS**

Authorized, Piloting

Custody

**COMMERZBANK** A yellow diamond shape with a black outline and a white triangle inside.

Authorized, Piloting

Custody

**caceis**  
INVESTOR SERVICES

Authorized, Piloting

Custody



**Deutsche Bank**

Authorized, Piloting

Custody

**DZ BANK** A blue square with a white stylized 'D' icon.

Authorized, Piloting

Custody



Active

**Trading, Custody**

**INTESA SANPAOLO** A green square with a white stylized 'I' and 'S' icon.

Active

**Prop Trading**

**Revolut**

Active

**Trading, Custody**

**tinaba®**  
con BancaProfilo

Active

**Trading**

*...and more*

# 02

# Ecosystem



# Italy's expanding crypto market

According to OAM, as of June 2024 more than **1.3 million Italians** owned digital assets through authorized intermediaries, an increase of **51% YoY**.

The total value of cryptocurrencies held by Italians rose from **1.2 billion** to over **2.2 billion euros** YoY.



# Crypto: one of the battlegrounds in the race for the White House

**Donald Trump has adopted a strongly pro-Bitcoin stance,** which some view as opportunistic. Nevertheless, his alignment with the crypto community suggests that a Trump presidency could lead to more favorable regulations and increased adoption of digital assets, generating significant optimism within the sector.

In contrast, **Kamala Harris offers a cautious but moderately open approach to crypto.** While she lacks Trump's enthusiasm, she appears more receptive to the potential benefits of blockchain technology than the current administration. A Harris presidency could introduce gradual regulatory easing, fostering a more supportive environment for crypto businesses without making sweeping changes.



# Banks, even central banks, are investing in Bitcoin

13-F reports reveal that **Morgan Stanley and Goldman Sachs** have invested in Bitcoin ETFs, amounting to \$187 million and \$418 million as of June 30, respectively.

Even the **central banks of Switzerland and Norway** have invested \$75 million and \$180 million respectively in MicroStrategy, the U.S.-based company known as the world's largest holder of Bitcoin.



# 03

# Regulation



# Ether ETFs Launch with High Expectations but Face Initial Hurdles

The SEC-approved Ether ETFs have made their debut, with experts projecting inflows to surpass \$5 billion by year-end, driven by rising institutional interest in the cryptocurrency market. **However, despite the optimistic outlook, current net flows remain negative.** This may be attributed to Ethereum facing stiff competition from alternative chains like Solana, and it has yet to establish itself as a long-term, investable asset in the eyes of institutions, unlike Bitcoin.



# Europe moves forward with regulation

European regulation is being shaped by **MiCAR**, ensuring greater transparency and security for investors and industry participants.

In Italy, the implementing decrees from **Consob** and **Bank of Italy** provide guidance on how to apply these regulations effectively.



# 04

# Technology

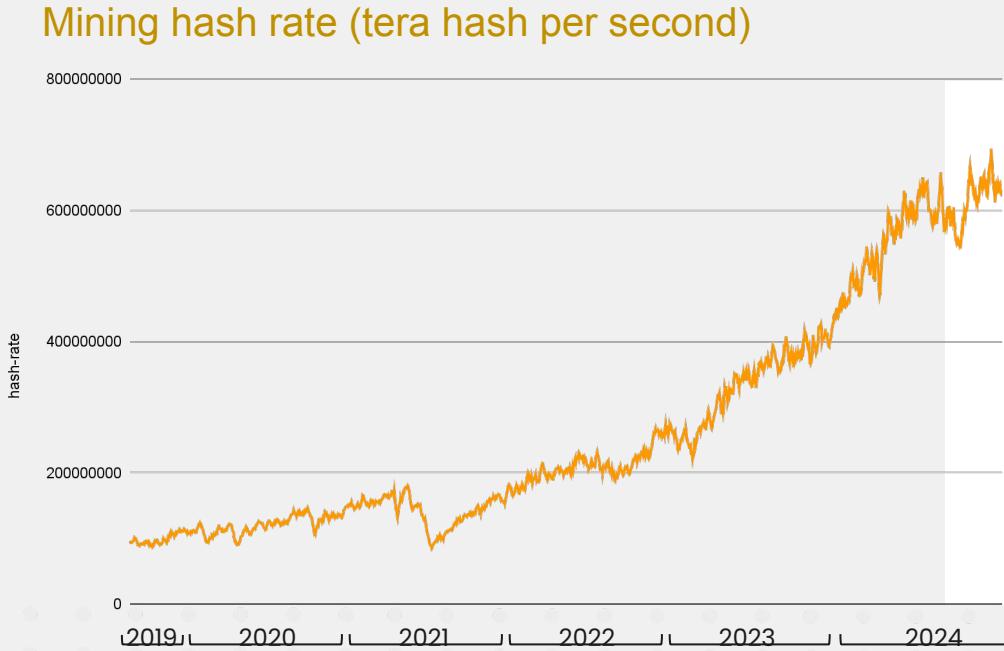


# The path to maturity and resilience

Over the past quarter, the **crypto sector has seen few major technical advancements** - notably the Polygon upgrade from MATIC to POL.

Overall, innovation is increasingly focused on refining existing frameworks: **as the ecosystem matures, significant updates are becoming less frequent.**

Notably, since ETH's transition to PoS, it has not undergone any substantial updates. Meanwhile, despite the community's strong emphasis on BTC's Layer 2 payment solutions, progress remains limited. Instead, the market favors Layer 1, supported by a continuously growing hashrate.



# Key Quarter Takeaways

## Q3 Performance, Volatility, and Decorrelation on Track

Stable market cap at \$2.1 trillion, Bitcoin gains (+5%), Ether falls (-21%); BTC leads volumes and shows **strong long-term performance**, with **volatility comparable to tech stocks**.

## Growing Institutional and Retail Adoption

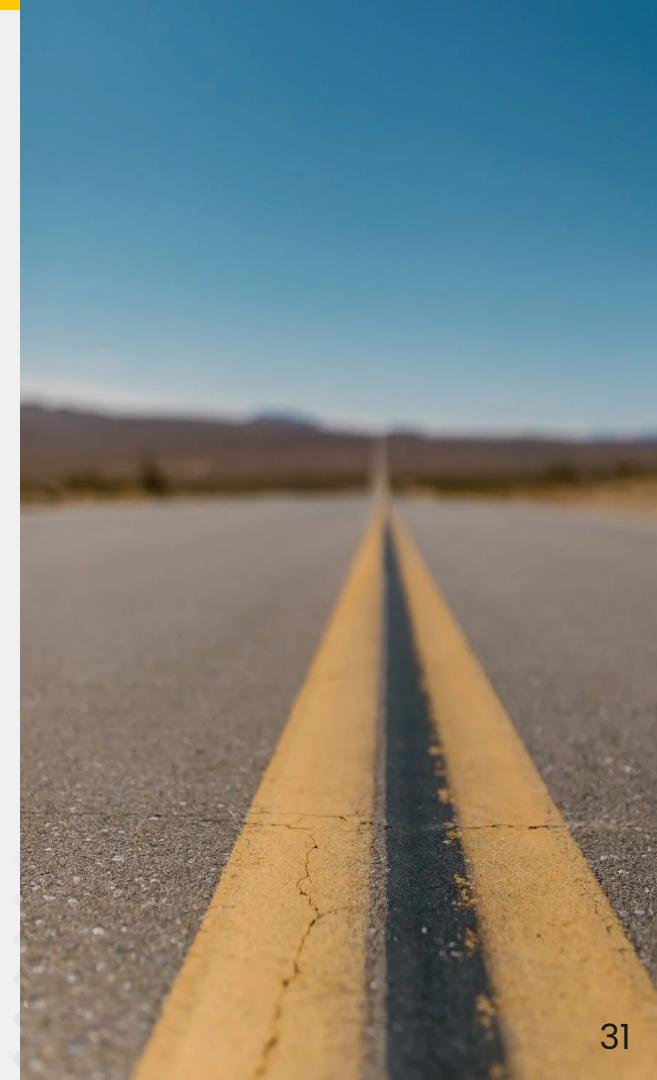
Italian crypto adoption surges, with 1.3M users (+51% YoY) holding €2.2B; record BTC/ETH futures and options volumes.

## Outlook for Price Growth

Potential **halving** self fulfilling prophecy; **MiCA regulation** provides clarity; favorable **rate cuts**; **U.S. political support**.

## Tech Innovation: A Consolidation Phase

No major tech breakthroughs; focus on **stability**, framework refinement. **Record hashrates** bolster BTC PoW security.





DIGITAL GOLD INSTITUTE

See you at  
Crypto Asset Lab  
Conference 2025





# Blake Heimann



Senior Associate,  
Quant Research

***The recent evolution of the  
crypto market***