

Murad Mahmudov - The Memecoin Supercycle



TERENCE LAM

OCT 14, 2024



Share

Murad Mahmudov has given an inspiring keynote “The Memecoin Supercycle” in TOKEN2049 Singapore 2024 last month:

Murad Mahmudov - The Memecoin Supercycle - TOKEN2049 Singapore ...



I used ChatGPT to summarize his insights.

In the highly dynamic crypto world, there is a growing narrative around the rise of **memecoins** and their ability to outperform traditional altcoins. Murad Mahmudov, in his talk at TOKEN2049 Singapore 2024, dives deep into why memecoins are dominating

the crypto market, why this trend will continue, and how it reflects broader societal shifts. The talk explores not just the technical or market aspects but also the cultural and psychological dimensions that are driving this phenomenon. Let's unpack the key insights from Murad's presentation to understand how memecoins have sparked a revolution in crypto, the forces propelling them forward, and what the future holds for these seemingly trivial assets.

Memecoins Are Leading the Pack in 2024

Murad begins his discussion by highlighting that the **memecoin supercycle** is not a future prediction—it is already happening. As of 2024, memecoins have outperformed nearly every other major crypto category, including traditional altcoins, and they continue to gain momentum.

- **Year-to-date performance:** While many altcoins have disappointed, memecoins are thriving. Of the top-performing tokens, 13 out of 20 are memecoins.
- **New and old memes:** Both established memecoins like **Doge** and **Shiba Inu** as well as newer entries like **Pepe** are doing exceptionally well, signaling that this trend is more than a passing phase.

Murad emphasizes that the era of all crypto assets rising in unison is over. The belief that "we're all going to make it" has died, and the crypto landscape is now more fragmented. Memecoins, however, are standing out as the most resilient and successful segment, thanks to a combination of internal market dynamics and broader societal shifts.

Internal Forces Driving the Memecoin Cycle

Several internal factors within the crypto space are fueling the rise of memecoins. Murad points out that the overproduction of tokens, inflated valuations, and the shifting dynamics between institutional players and retail investors are key contributors.

1. **Overproduction of Tokens:** There has been an explosion in the number of tokens being launched—over 600,000 new tokens in 2024 alone. This oversaturation has made it harder for traditional altcoins to stand out.

2. **Inflated Valuations:** Many altcoins are being listed at extremely high valuations due to the involvement of venture capitalists (VCs) and institutional investors. Retail investors, on the other hand, often act as exit liquidity for these overvalued tokens, entering the market when prices are already inflated. By contrast, memecoins tend to have simpler, more transparent tokenomics.
3. **Speculative Nature of DApps:** Even in decentralized finance (DeFi) and decentralized apps (DApps), most projects are driven by speculation rather than actual utility. Memecoins, which thrive on speculation and community-driven value, have tapped into this better than most tech-focused projects.

Memecoins Reflect Broader Social and Economic Trends

Memecoins are not just a crypto trend—they mirror deeper societal issues. Murad argues that many of the forces driving the memecoin supercycle are external to crypto, reflecting broader economic, social, and psychological factors.

1. **Economic Uncertainty and Inflation:** The global economy is becoming increasingly unstable, with rampant inflation and rising costs of living. Traditional paths to financial stability, such as jobs in STEM (Science, Technology, Engineering, and Math), are no longer secure. This creates a hunger for alternative financial opportunities, which memecoins provide.
2. **A Crisis of Meaning:** People are increasingly disconnected from traditional sources of meaning such as religion and community. Memecoins offer a form of belonging and shared identity that fills this void. Memecoins are not just about speculation; they offer fun, hope, and a sense of community for those who feel disenfranchised by traditional systems.
3. **The Digital Age and Hyperconnectivity:** With people spending more time online, memecoins are perfectly positioned for a hyperconnected, digital world. Memecoins capitalize on **memes**, which are culturally relevant, easily shareable, and emotionally resonant. As people seek belonging in digital spaces, memecoins offer them a community to rally around.

Why Memecoins Will Continue to Dominate

Murad makes the case that memecoins will not only continue to thrive but will likely outperform most traditional altcoins in the coming years. There are several key reasons why this is happening and will continue to happen.

1. **Fully Circulating Supply:** Many memecoins, such as **Doge**, **Shiba Inu**, and **Pepe**, have fully circulating supplies, meaning there are no future token unlocks. This contrasts with many traditional altcoins, which have large token unlock schedules that act as a headwind for price growth.
2. **Community-Driven Growth:** Memecoins succeed because they build strong, **passionate communities**. These communities are often organic, with early adopters becoming full-time evangelists for the project. This grassroots approach creates a more engaged user base than traditional altcoins, which often rely on VC backing.
3. **A Counterattack Against Tech Tokens:** Memecoins are a **spiritual reincarnation** of the 2017 ICO (Initial Coin Offering) boom but in a new form. While tech tokens try to sell complex promises about future technological advancements, memecoins focus on simple, accessible narratives that attract retail investors. Memecoins tap into the core reasons people engage with crypto: **to make money, have fun, and belong**.
4. **A Simpler Product:** Memecoins are a **better product for retail investors** because they are easier to understand and participate in compared to the more complex tech-driven altcoins. Retail investors are more interested in the social and speculative aspects of crypto than the technical nuances of blockchain technology.

The Future of Memecoins: Predictions for 2025

Murad predicts that the memecoin cycle is far from over. In fact, he believes we are only at the beginning of a much larger wave. His projections for the future of memecoins are bold:

- **A \$1 trillion market cap** for memecoins.
- **Two memecoins** crossing the \$100 billion market cap threshold.
- **A quarter of the top 20** tokens on CoinMarketCap being memecoins by 2025.

He also predicts that venture capitalists and institutional investors will start to take memecoins more seriously as they continue to outperform traditional tech tokens. Memecoins will become not just a speculative trend but a fundamental part of the crypto ecosystem.

Conclusion: Memecoins Are More Than Just Speculation

Murad Mahmudov's insights make it clear that memecoins are not a fleeting trend—they represent a fundamental shift in the way crypto and finance intersect with culture and society. Memecoins tap into the human need for belonging, fun, and financial opportunity in a way that traditional financial assets and altcoins cannot. As we move further into 2025 and beyond, memecoins will likely continue to outperform, driven by their strong communities and cultural relevance.

For those looking to navigate the crypto market, ignoring memecoins would be a mistake. They are here to stay, and they are reshaping the future of the entire crypto industry.

[Subscribe](#)

Bitcoin has sparked a bottom-up revolution in wealth by disrupting the traditional wealth distribution rules that were once dominated by the elite. This transformation enables greater fairness and balance in societal development through the active participation of ordinary individuals. This extraordinary opportunity is unprecedented in history and, after more than a decade of development, its significance becomes increasingly clear. I am actively advocating market education on Bitcoin, cryptocurrencies, and web3, with the hope of empowering more people to seize this chance and benefit from these technologies, ultimately achieving genuine financial freedom. Feel free to share this article with your friends and kindly recommend this column to them.

[← Previous](#)[Next →](#)

Discussion about this post

Comments

Restacks



Write a comment...

© 2024 Terence Lam · [Privacy](#) · [Terms](#) · [Collection notice](#)
[Substack](#) is the home for great culture