



CoinDesk

State of Bitcoin Q2 2014

Presented 10th July 2014 at CoinSummit London

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About CoinDesk

- World leader in digital currency news, prices and information
- Our Bitcoin Price Index serves as an industry reference point
- London-based and remote team with a global focus
- Our editors are based in London, Boston, San Francisco, and Tokyo

The screenshot shows the CoinDesk homepage. At the top, there's a navigation bar with 'HOME', 'NEWS', 'INFORMATION', 'PRICE', and 'DATA'. A Bitcoin price index chart is visible, showing a price of \$639.30. Below the navigation, there are several news articles and a 'MUST READ' section. The main article is titled '5 Global Problems Bitcoin's Proof of Work Can Help Solve'. Other articles include 'Silk Road Auction Winner Tim Draper: World Should Embrace Bitcoin', 'Expedia Exec Says Bitcoin Spending Has Exceeded Estimates', and 'VC Tim Draper Revealed as Silk Road Bitcoin Auction Winner'. There's also a 'CoinDesk BPI' logo and a 'Download the CoinDesk iOS App.' button.

The screenshot shows the CoinDesk Bitcoin Price Index chart and calculator. The main price is \$639.30, with a change of -0.22%. The chart shows the price index from 2011 to 2014. The calculator shows 1 XBT at 639.30 USD. The historical price table is as follows:

Date	Close	Change
2014-07-03	\$640.69	-1.03%
2014-07-02	\$647.34	1.65%
2014-07-01	\$635.59	-0.59%
2014-06-30	\$639.36	6.81%
2014-06-29	\$598.60	1.12%
2014-06-28	\$591.99	-1.48%
2014-06-27	\$600.86	3.71%
2014-06-26	\$579.38	3.07%

Q2 2014 Summary

Bitcoin's price has bounced back: up 39.4% from end of Q1 but still down 16% from start of year

All-time bitcoin VC investment of \$240m; 2014 run rate of \$280m+

Larger, more established consumer brands are adopting bitcoin (eg Dish, Expedia)

Stories mentioning 'bitcoin' in the mainstream media rose 439% from 2012/13 to 2013/14

Approximately 63,000 business now accept bitcoin; 5.3m total wallets

Regulatory environment continues to see positives (eg California) and setbacks (eg Bolivia)

Key Bitcoin Adoption Metrics

	Jun-14	Jun-13	YoY Δ
Commerce			
Wallets	5,327,688	765,039	7x
Merchants	63,000	N/A	N/A
ATMs	103	N/A	N/A
Unique bitcoin addresses used per day	136,152	41,271	3x
Media			
Mentions in mainstream media	9,500	2,163	3x
Technology			
Network hash rate (billion/second)	111,194,683	162,269	685x
Github No. of updated repositories	12,365	676	17x
Investment			
Bitcoin market capitalization (\$bn)	8.3	1.0	8x
Industry			
VC investment over last 12 months (\$m)	200.7	17.1	12x
Number of VC-backed startups	48	7	7x

Price and Valuation

Four of the Most Popular CoinDesk News Stories in Q2 2014 About Bitcoin's Price

Story	Date
1. CEO of Bitcoin Official Bans China [April Fools' article]	1 st Apr
2. List of Possible Silk Road Bitcoin Bidders Leaked by US Marshalls	18 th Jun
3. Why Bitcoin's Price Has Leapt 64% Since April	28 th May
4. New Colorado Marijuana Vending Machines Will Accept Bitcoin	16 th Apr
5. Renewed Optimism as Bitcoin Price Nears \$500	20 th May
6. Bitcoin Price Drops 10% as Chinese Exchanges Stop Bank Deposits	10 th Apr
7. Mark T. Williams to Bitcoin Bulls: Time Will Vindicate My Prediction	31 st May
8. 500 Million Dogecoins Mined by Unknown Hacker in Malware Attack	17 th Jun
9. Bitcoin Price Falls Below \$600 as Govt. Prepares for 30,000 BTC Selloff	13 th Jun
10. Is it Too Late to Get Involved in Bitcoin?	26 th Apr

CoinDesk Bitcoin Price Index – Q2 & YTD 2014 by the Numbers



Q2 Price Summary

Q2 2014 Open	\$458.50
30 June Price	\$639.36
Q1/Q2 % Δ	+39.4%
30 June Market Cap	\$8.3bn

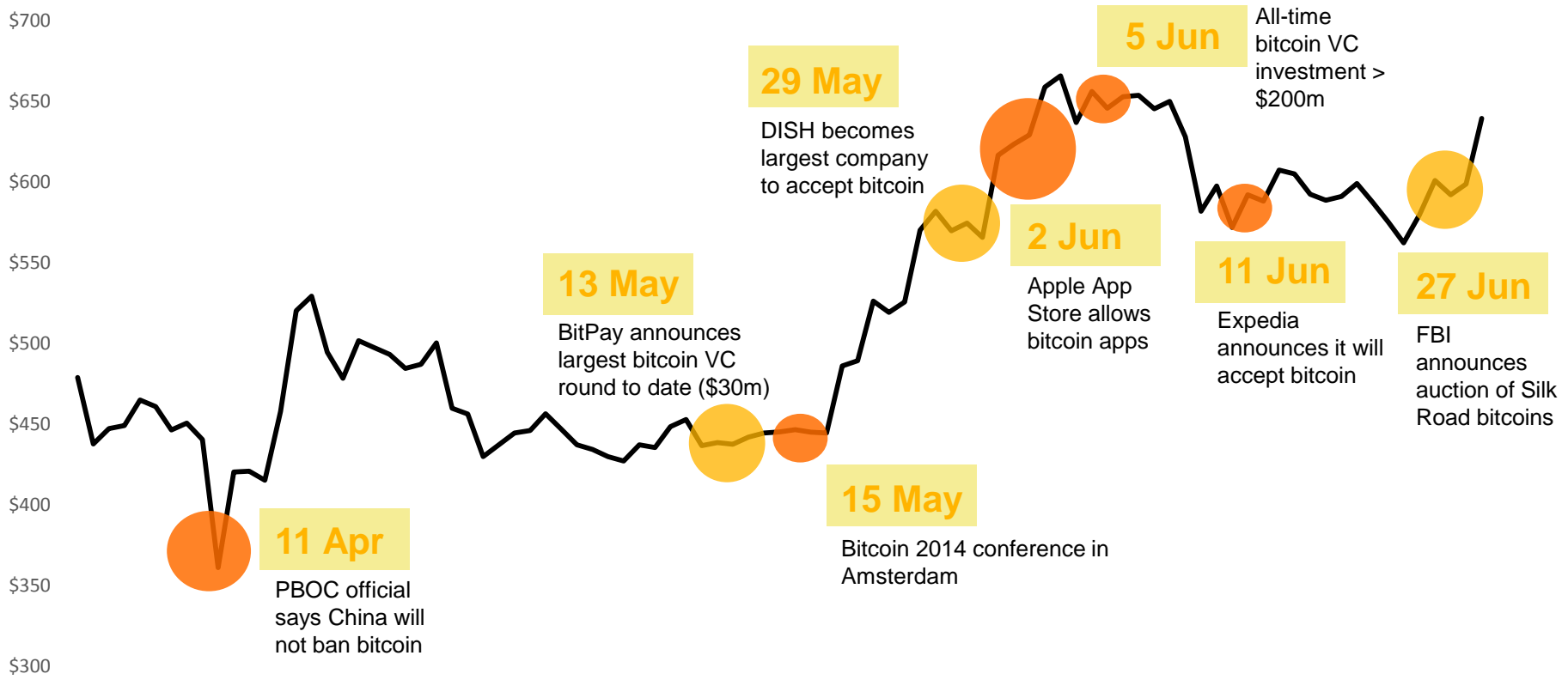
YTD Price Summary

High (6 th Jan)	\$951.39
Low (10 th April)	\$360.84
YTD % Δ	-15.6%
Average	\$611.31
Median	\$591.99



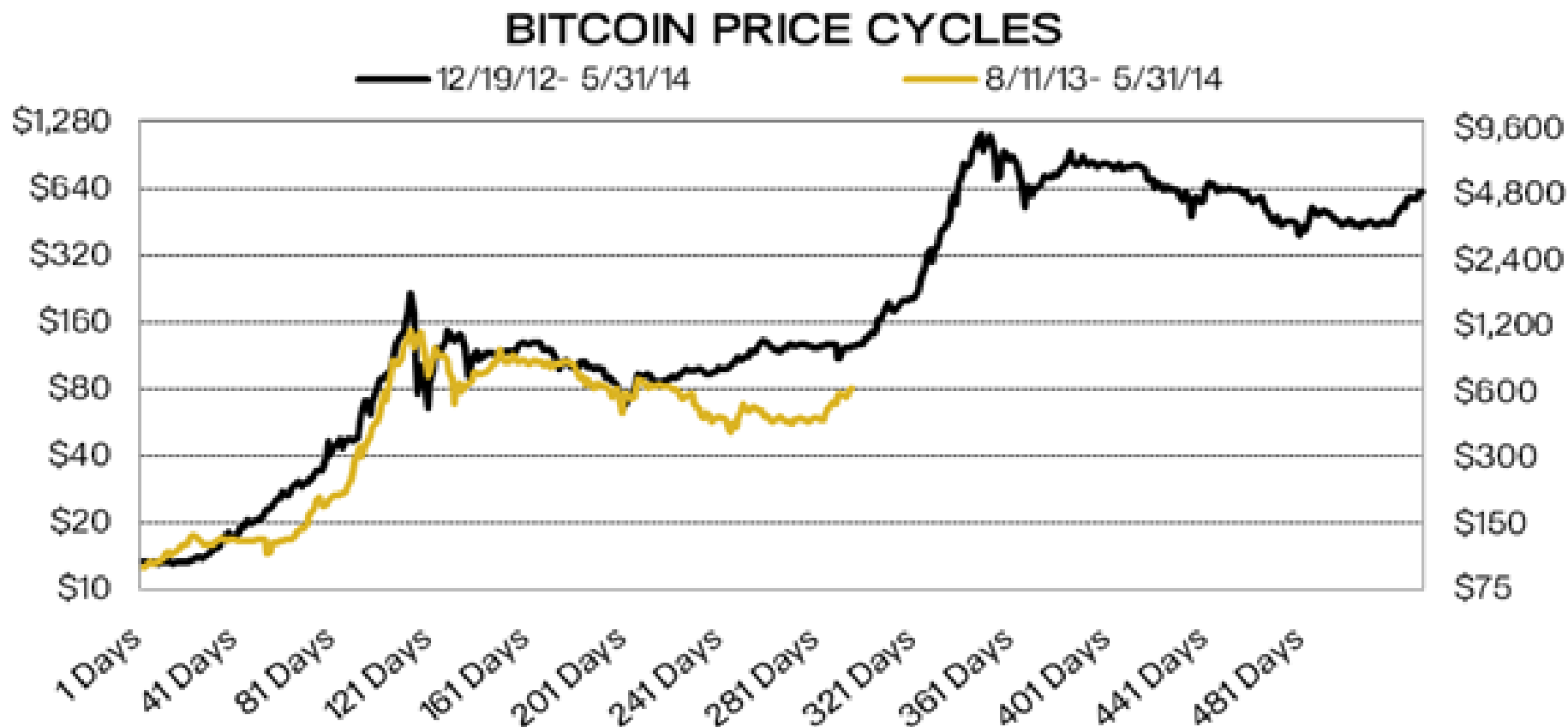
Source: CoinDesk Bitcoin Price Index, daily data collected at 00:00 UTC

Significant Bitcoin Events and Price Response – Q2 2014



Source: CoinDesk Bitcoin Price Index daily closing price (taken at 00:00 UTC)

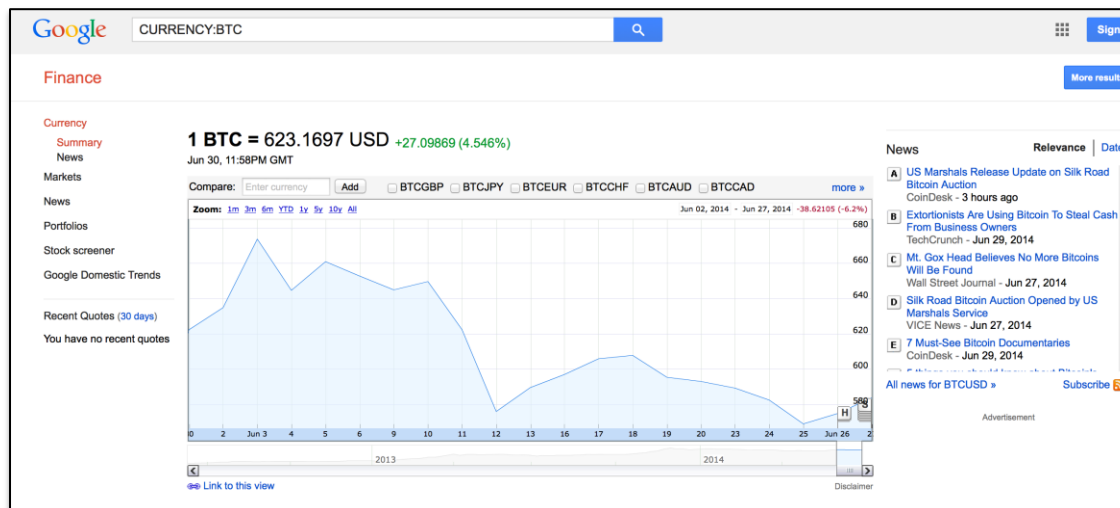
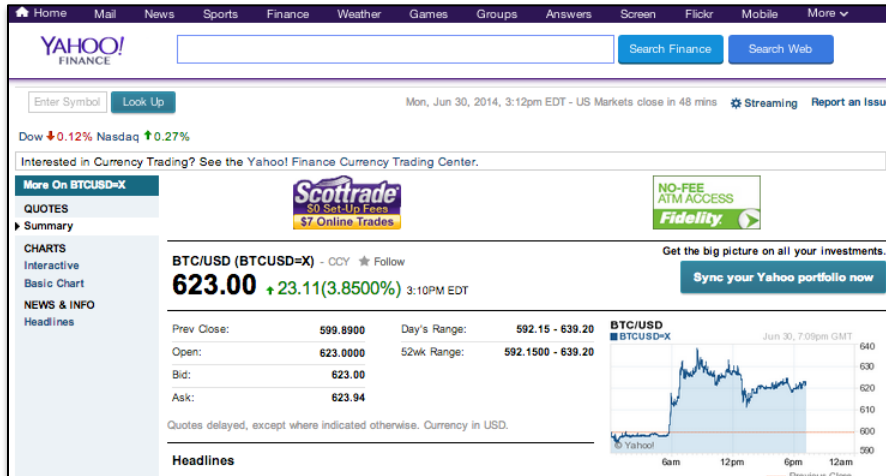
If Recent Bitcoin Price Trends Continue Following Historical Pattern, Then Further Upside is Anticipated











Source: Bitcoincharts.com

Source: Pantera Capital

Bitcoin's Price is Now on Yahoo Finance, Google Finance and Bloomberg



Bitcoin Now Represents 93.4% of Total Cryptocurrency Market Cap, +3.4% Change from 16th April

1	 Bitcoin	\$ 8,485,563,727	\$ 654.31
2	 Litecoin	\$ 265,848,755	\$ 8.92
3	 Nxt	\$ 61,415,955	\$ 0.061416
4	 Darkcoin	\$ 39,333,058	\$ 8.88
5	 Ripple	\$ 29,976,139	\$ 0.003834
6	 Peercoin	\$ 29,827,098	\$ 1.39
7	 Dogecoin	\$ 22,111,831	\$ 0.000260
8	 Namecoin	\$ 15,696,694	\$ 1.71

**Bitcoin market cap
35x larger than
litecoin, up from
18x two months
ago**

Market capitalizations:

\$8.5bn – bitcoin
(Δ of +31% from 16th April)

\$9.1bn – all cryptocurrencies
(Δ of +28% from 16th April)

Source: CoinMarketCap.com 1 July 2014

The Timing and Scale of Bitcoin's Disruptive Potential

- “Bitcoin-related technologies will disrupt payments markets and other trust-based markets within the next few years and for decades to follow.”
- “US bank fees generate \$250 billion a year and global payments-related revenues exceed \$300 billion a year.”
- “We also see an emerging bitcoin opportunity within the Internet of Things.”



Gil Luria
Wedbush Securities

Fees and Other Financial Services Costs That Could be Impacted by Bitcoin

- Payment processing
- Deposit
- Withdrawal/Overdraft
- Foreign exchange
- Float
- Transfer/Wire
- Title insurance
- Exchange trading
- Escrow
- Trust management
- Collections
- Notary

Source: Wedbush Securities, CoinDesk

\$3.4 Trillion, or 21% of US GDP From Trust-Based Service Sectors Could be Impacted

Figure 2: Portion of US GDP from Trust-Based Industries

Value added (Millions of dollars)	2012	2012%
Gross domestic product	16,244,586	100.0
Agriculture, forestry, fishing, and hunting	201,138	1.2
Mining	429,656	2.6
Utilities	275,148	1.7
Construction	581,073	3.6
Manufacturing	2,034,333	12.5
Wholesale trade	962,694	5.9
Retail trade	927,849	5.7
Transportation and warehousing	471,637	2.9
Information	776,740	4.8
Finance, insurance, real estate, rental, and leasing	3,172,548	19.5
Finance and insurance	1,078,153	6.6
Federal Reserve banks, credit intermediation, and related activities	435,033	2.7
Securities, commodity contracts, and investments	184,592	1.1
Insurance carriers and related activities	413,066	2.5
Funds, trusts, and other financial vehicles	45,463	0.3
Real estate and rental and leasing	2,094,395	12.9
Real estate	1,917,249	11.8
Rental and leasing services and lessors of intangible assets	177,146	1.1
Professional and business services	1,937,240	11.9
Professional, scientific, and technical services	1,140,168	7.0
Legal services	225,249	1.4
Computer systems design and related services	229,792	1.4
Miscellaneous professional, scientific, and technical services	685,126	4.2
Educational services, health care, and social assistance	1,339,698	8.2
Arts, entertainment, recreation, accommodation, and food services	596,547	3.7
Other services, except government	352,014	2.2
Government	2,186,268	13.5
Sum of Trust-Based Service Sectors	\$3,397,798	
As a percentage of GDP	21%	

Source: Bureau of Economic Analysis, Wedbush Securities, Inc.

Total Potential Market Cap Disrupted by Bitcoin of \$546bn

Market Caps (millions) as of 1st July 2014

Processors	Market Cap
Visa Inc	\$105,228
American Express Co	\$100,430
MasterCard Inc	\$82,558
Capital One Financial Corp	\$47,213
Discover Financial Services	\$28,900
Alliance Data Systems Corp	\$15,246
Total System Services Inc	\$5,928
Global Payments Inc	\$5,232
Euronet Worldwide Inc	\$2,458
Heartland Payment Systems Inc	\$1,477
Green Dot Corp	\$753
Total	\$395,422

Money Transfer/ATM Outsourcing	Market Cap
Western Union Co	\$9,345
Euronet Worldwide Inc	\$2,458
Cardtronics Inc	\$1,516
MoneyGram International Inc	\$804
Xoom Corp	\$1,001
Total	\$15,124

Trust/Escrow	Market Cap
M&T Bank Corp	\$16,311
Associated Banc-Corp	\$2,883
PrivateBancorp Inc	\$2,268
Total	\$21,462

Payment Hardware	Market Cap
NCR Corp	\$5,892
MICROS Systems Inc	\$5,080
VeriFone Systems Inc	\$4,106
Ingenico	\$4,802
Diebold Inc	\$2,595
Outerwall Inc	\$1,210
Wincor Nixdorf AG	\$1,895
Agilysys Inc	\$316
On Track Innovations Ltd	\$79
Total	\$25,975

Bank Software	Market Cap
Fidelity National Information Services Inc	\$15,754
Fiserv Inc	\$15,033
Jack Henry & Associates Inc	\$5,025
ACI Worldwide Inc	\$2,117
Total	\$37,930

Securities Exchanges	Market Cap
Intercontinental Exchange Inc	\$21,753
CME Group Inc	\$23,824
NASDAQ OMX Group Inc	\$6,591
Total	\$52,169

Source: Wedbush Securities, CoinDesk

Media

Selection of Q2's Biggest Bitcoin Stories

Apple's App Store allows return of bitcoin apps



Tim Draper successfully bids on 30,000 BTC at Silk Road bitcoin auction

Scale of bitcoin VC investment tracking the early Internet

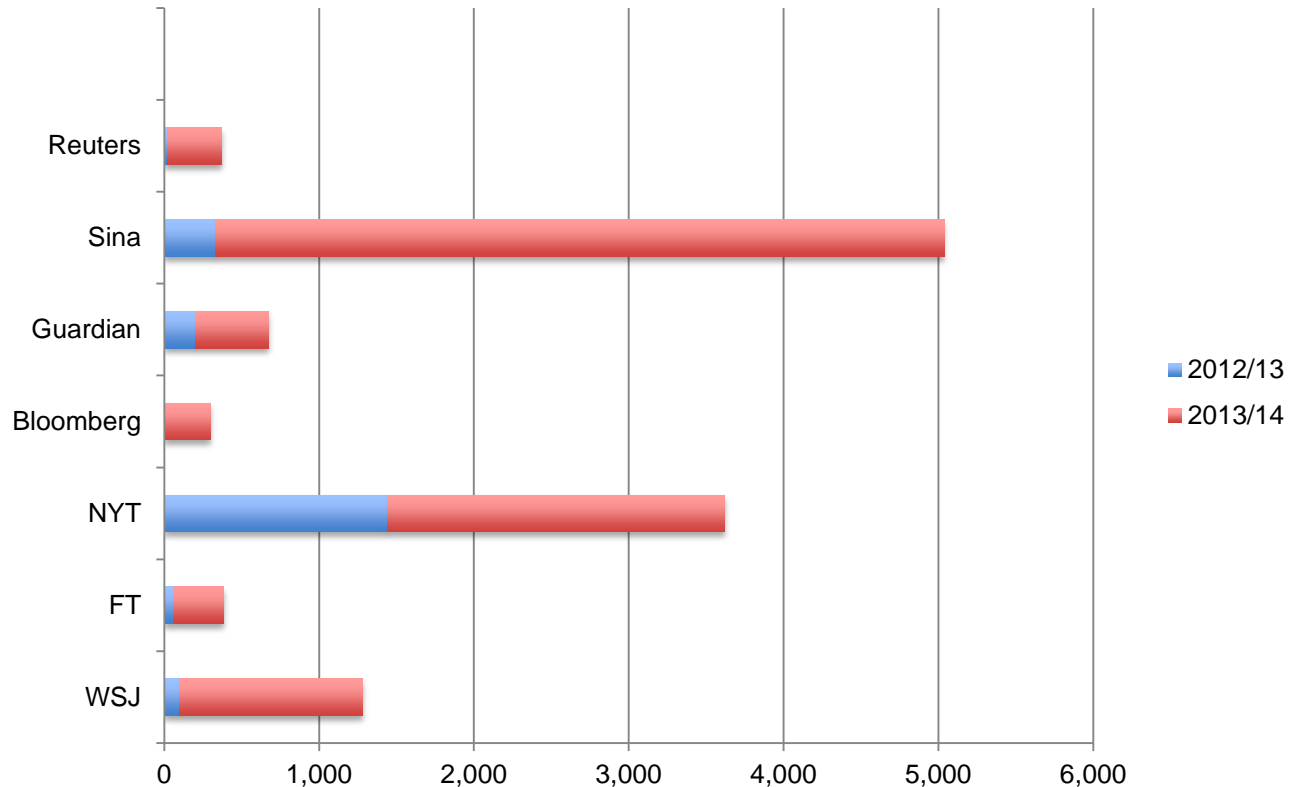


Chronicle / Darryl Bush

More seasoned entrepreneurs set their sights on bitcoin [Halsey Minor pictured]

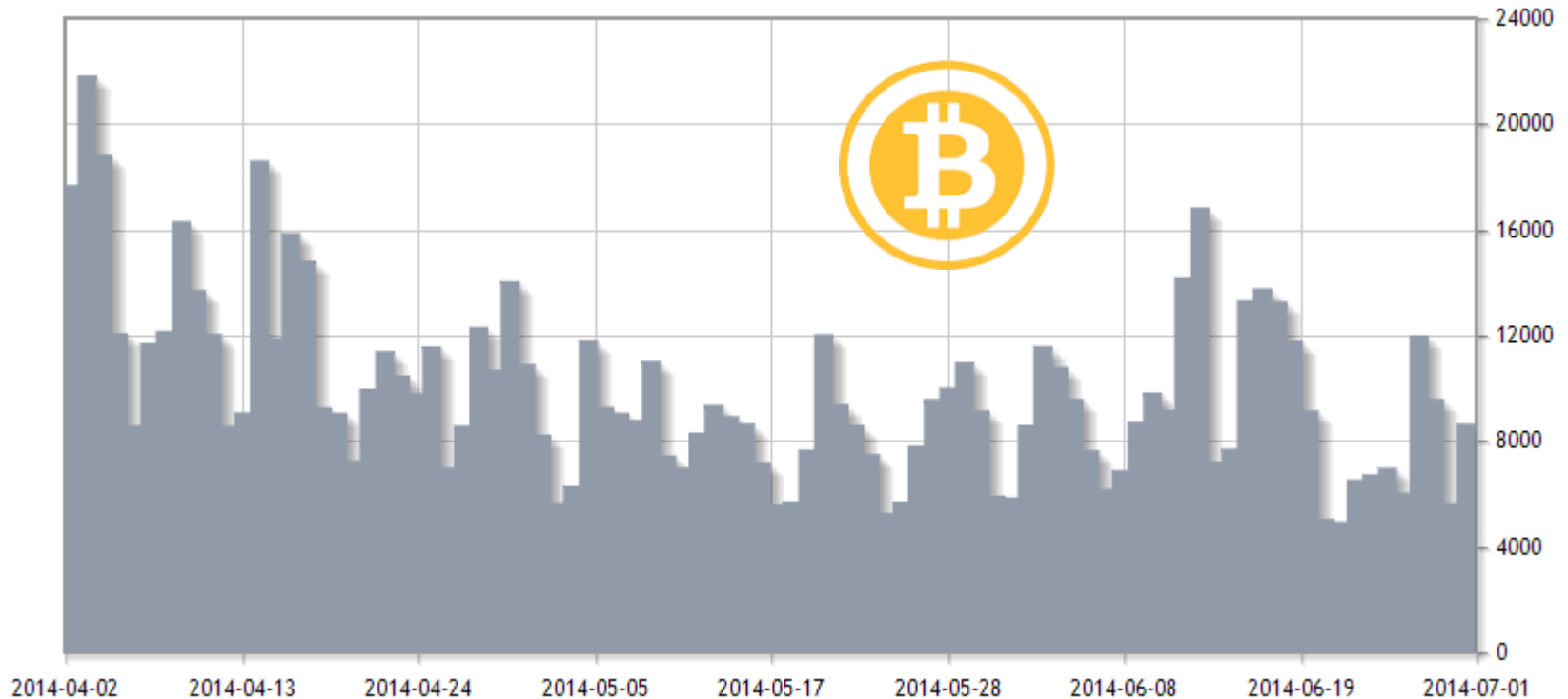
Accelerating Mainstream Media Interest in Bitcoin

Stories Published Mentioning Bitcoin



Source: Respective publishers' websites. Date range used is 1st June to 31st May.

“Bitcoin” is the 89th Most Heavily Trafficked Wikipedia Page, 889k Views in Last 90 Days



Source: Wikipedia 1st July 2014

Google Search Interest in “bitcoin” During Q2 Has Remained Relatively Constant



Source: Google Trends

Some Intellectuals Remain Skeptical, While Others Recognize Bitcoin's Potential



Ken Rogoff

“Not a currency; it isn’t going to be a currency.”



Larry Summers

“I think bitcoin has the potential to be a very, very important development.”



Niall Ferguson

“It would be unwise to assume, as some do, that it poses no challenge at all.”

Ecosystem and VC Investment

Two Biggest Bitcoin VC Deals in Q2



\$30m

(Series A) May 2014



\$20m

(Series A) May 2014

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

BitPay's \$30m Round was the Largest Bitcoin VC Deal to Date



- More than 30,000 total merchants
- As of January 2014, adding more than 1,000 merchants to its network each week
- Processing \$1m in bitcoin payments every day
- Processed more than \$100m in bitcoin payments in 2013
- Most recent VC round valued BitPay at \$160m

Bitcoin Venture Capital Investment Accelerated in Q2, Up 28% QoQ

Q1 2014 bitcoin VC investment:

\$57m



Total VC investment
in cryptocurrency
startups to date:

Q2 2014 bitcoin VC investment:

\$73m

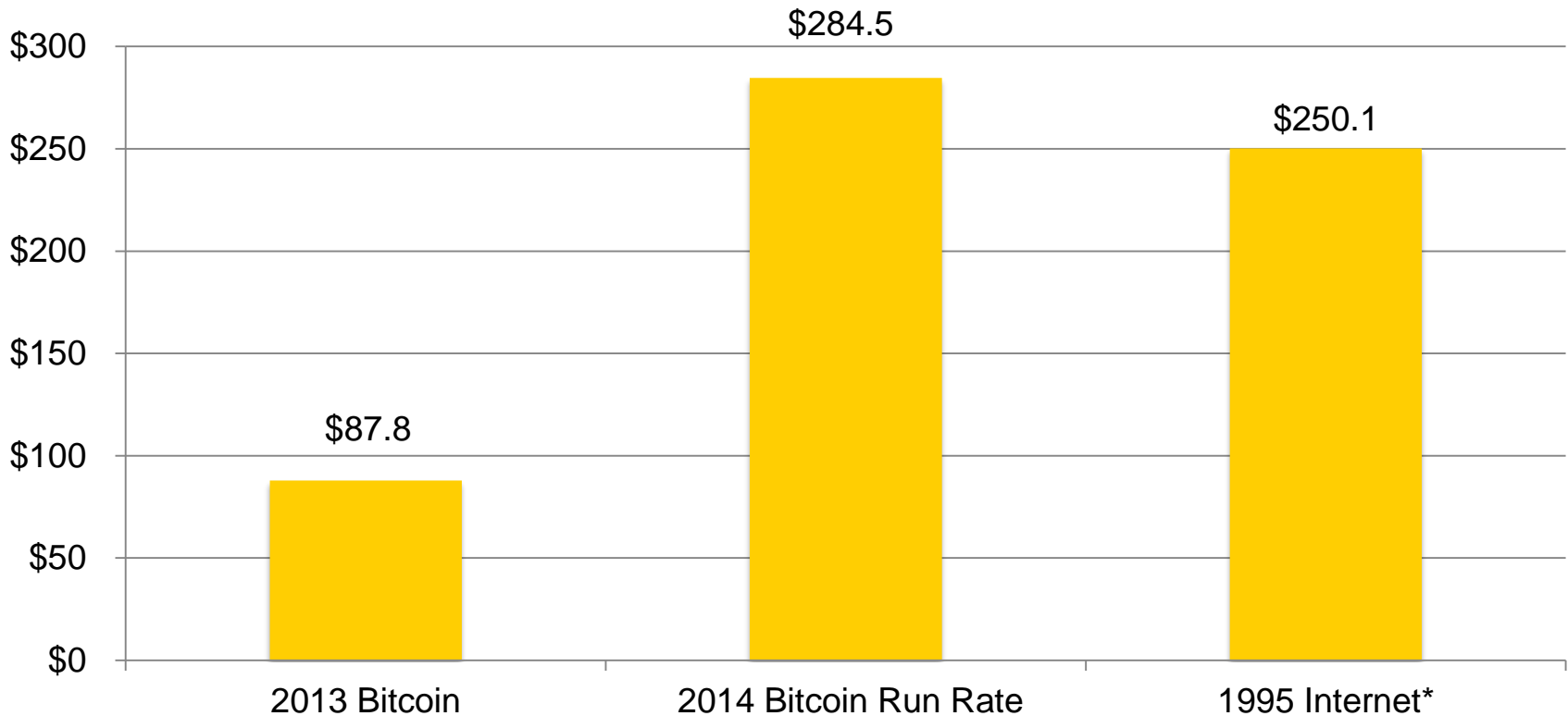
\$240m

*Note: Q2 figure excludes recent July deals (eg Xapo \$20 million) but all-time figure of \$240m includes these deals.

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

2014 VC Investment in Bitcoin Overtaking VC Early-Stage Internet Investments

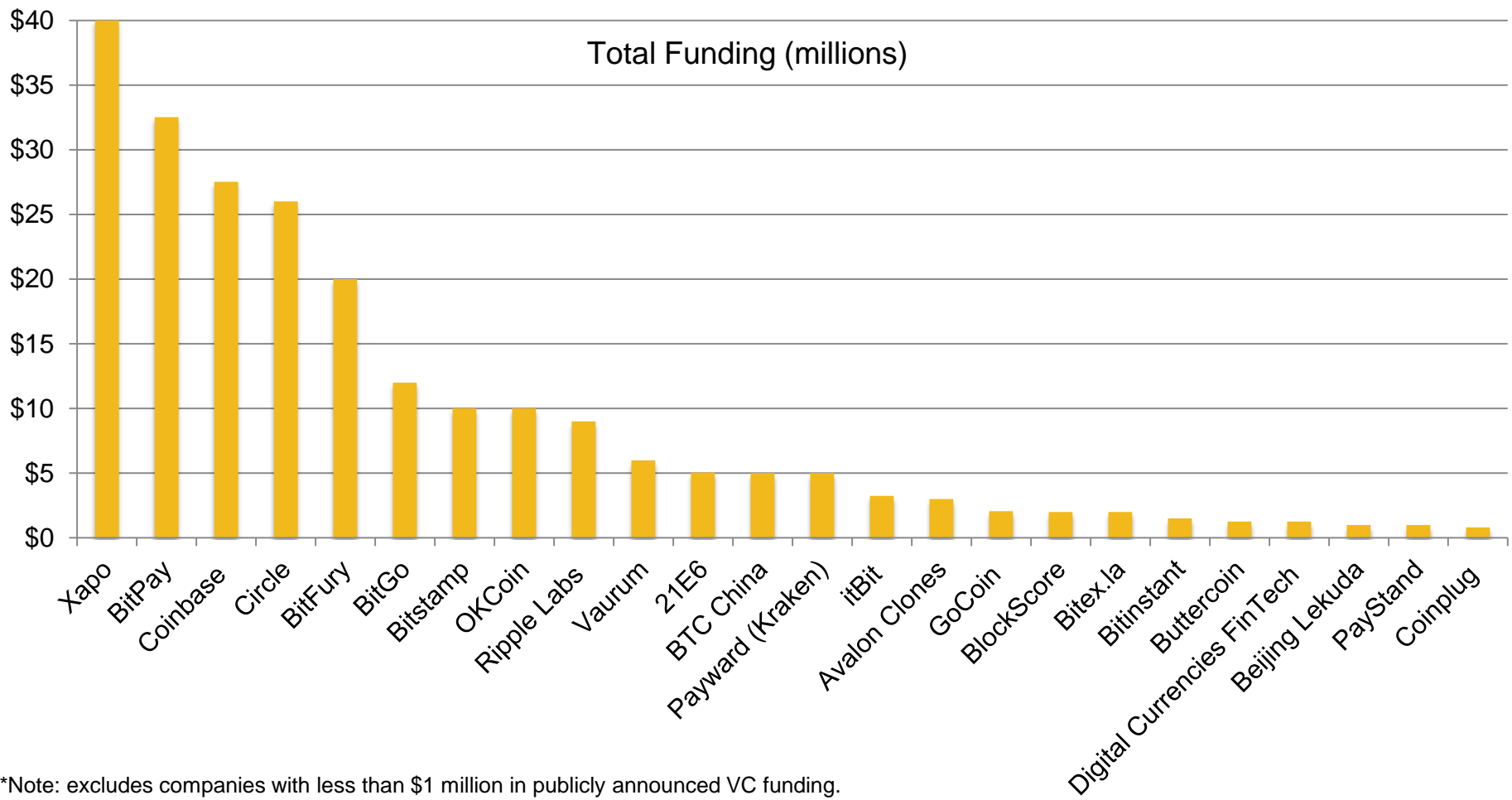
Bitcoin vs. Early Internet VC investment (\$ millions)



Note: *Includes first sequence venture deals but excludes late-stage 1995 internet investments (\$257.6m). For additional disclosure on methodology see <http://www.coindesk.com/following-money-trends-bitcoin-venture-capital-investment/>

Source: CoinDesk, PriceWaterhouse

8 Startups With \geq \$10m VC Funding; 22 Startups \geq \$1m



*Note: excludes companies with less than \$1 million in publicly announced VC funding.

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

2014 YTD Investment in Bitcoin Startups of \$150m

Recently Announced Investment Rounds

Close Date	Company	Size (\$m)	Round	Select Investors	Headquartered
Jul-14	TBC	0.25	Seed	Individual Investors	TBC
Jul-14	Xapo	20.00	First	Index Ventures, Greylock Partners, Emergence Capital Partners, Yuri Milner, Max Levchin, Jerry Yang	Palo Alto
Jun-14	BlockScore	2.00	Seed	Battery Ventures, Lightspeed Venture Partners, Boost VC, New Atlantic Ventures, Khosla Ventures, Y Combinator	Palo Alto
Jun-14	BitPagos	0.60	Seed	Pantera Capital, Boost Bitcoin Fund, 8capita, South Ventures, NXTP Labs, Tim Draper, Barry Silbert, Individual Investors	Palo Alto
Jun-14	BitGo	12.00	First	Redpoint Ventures, Bitcoin Opportunity Corporation, Radar Partners, Liberty City Ventures, Crypto Currency Partners, A-Grade Investments	San Francisco
Jun-14	HashPlex	0.40	Seed	Barry Silbert, Jason Prado, Individual Investors	Seattle

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

2014 YTD Investment in Bitcoin Startups of \$150m

Recently Announced Investment Rounds

Close Date	Company	Size (\$m)	Round	Select Investors	Headquartered
May-14	BitFury	20.00	First	Binary Financial, Crypto Currency Partners, Georgian Co-Investment Fund, Queensbridge Venture Partners and ZAD Investment Company, Jonathan Teo, Bill Tai	Amsterdam
May-14	Bitex.la	2.00	First	Undisclosed UK-based investor	Buenos Aires
May-14	BitPay	30.00	First	Index Ventures, AME Cloud Ventures, Felicis Ventures, Founders Fund, Horizons Ventures, RRE Ventures, Sir Richard Branson, TTV Capital	Atlanta
May-14	Vaurum	4.00	Seed	Battery Ventures, Tim Draper, Steve Case	San Mateo

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

2014 YTD Bitcoin VC Investments (contd.)

Close Date	Company	Size (\$m)	Round	Select Investors	Headquartered
Apr-14	GogoCoin	0.10	Seed	500 Startups	Mountain View
Apr-14	Bonifide.io	0.10	Seed	500 Startups	Mountain View
Apr-14	Coinalytics	0.10	Seed	500 Startups	Mountain View
Apr-14	Neuroware	0.10	Seed	500 Startups	Mountain View
Apr-14	Monetsu	0.10	Seed	500 Startups	Mountain View
Apr-14	Coinplug	0.40	Seed	Tim Draper	Seoul
Apr-14	PayStand	1.00	Seed	Cervin Ventures, Serra Ventures, Central Coast Angels, TiE LaunchPad	Santa Cruz
Mar-14	Circle Internet Financial	17.00	Second	Breyer Capital, Accel Partners, General Catalyst Partners, Oak Investment Partners, Pantera Capital, Bitcoin Opportunity Fund	Boston
Mar-14	GoCoin	1.50	First	Bitcoin Shop, Owen Van Natta, Crypto Currency Partners	Singapore
Mar-14	Hive	0.19	Seed	Roger Ver, Seedcoin	Hong Kong

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

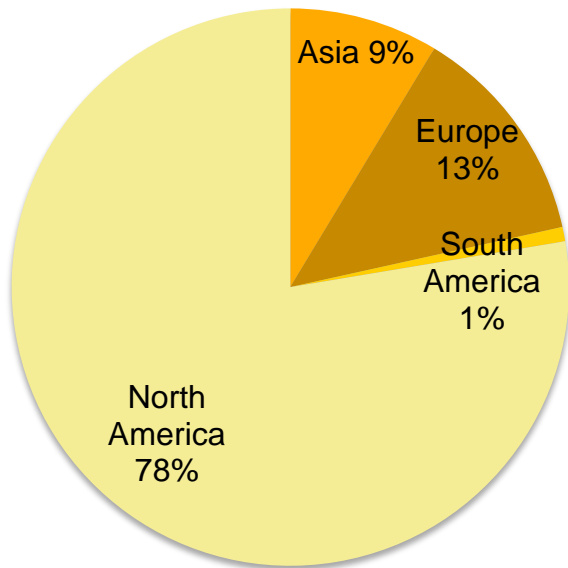
2014 YTD Bitcoin VC investments (contd.)

Close Date	Company	Size (\$m)	Round	Select Investors	Headquartered
Mar-14	Payward, Inc. (Kraken)	5.00	First	Hummingbird Ventures	San Francisco
Mar-14	BTC.sx	0.30	Seed	Seedcoin, Joe Lee	Singapore
Mar-14	MexBT	0.34	Seed	Seedcoin, Individual Investors	Mexico City
Mar-14	OKCoin	10.00	First	Ceyuan Ventures, Mandra Capital, VenturesLab	Beijing
Mar-14	Xapo	20.00	First	Benchmark, Fortress Investment Group, Ribbit Capital	Palo Alto
Mar-14	Tembusu Terminals	0.20	Seed	Individual Investors	Singapore
Feb-14	Safello	0.60	Seed	Nicolas Cary, Roger Ver, Erik Voorhees, Ira Miller, Jan Rees, Anders Bruzelius, Victor & Victor	Stockholm
Feb-14	BitSim	0.50	Seed	Seedcoin, Individual Investors	Hong Kong
Feb-14	Cryptopay	0.08	Seed	Seedcoin	London
Jan-14	Tangible Cryptography (BitSimple)	0.60	Seed	Undisclosed Investor(s)	Wilmington
Jan-14	Korbit	0.40	Seed	Strong Ventures, Bitcoin Opportunity Fund, Tim Draper, David Lee, Naval Ravikant	Seoul

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

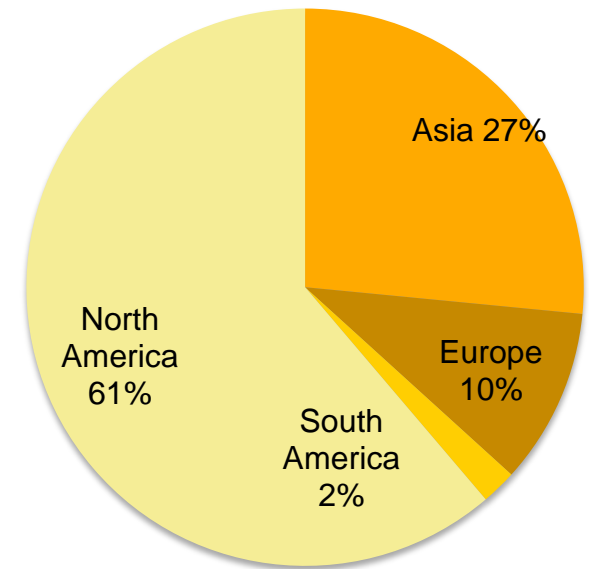
Europe Passed Asia in Total Bitcoin VC Investment in Q2, Both Still Lag North America

\$ Invested



Regions	Value (\$m)	No. of companies
Asia	20.8	13
Europe	30.9	5
S. America	2.0	1
N. America	186.3	30
Total	\$240.0	49

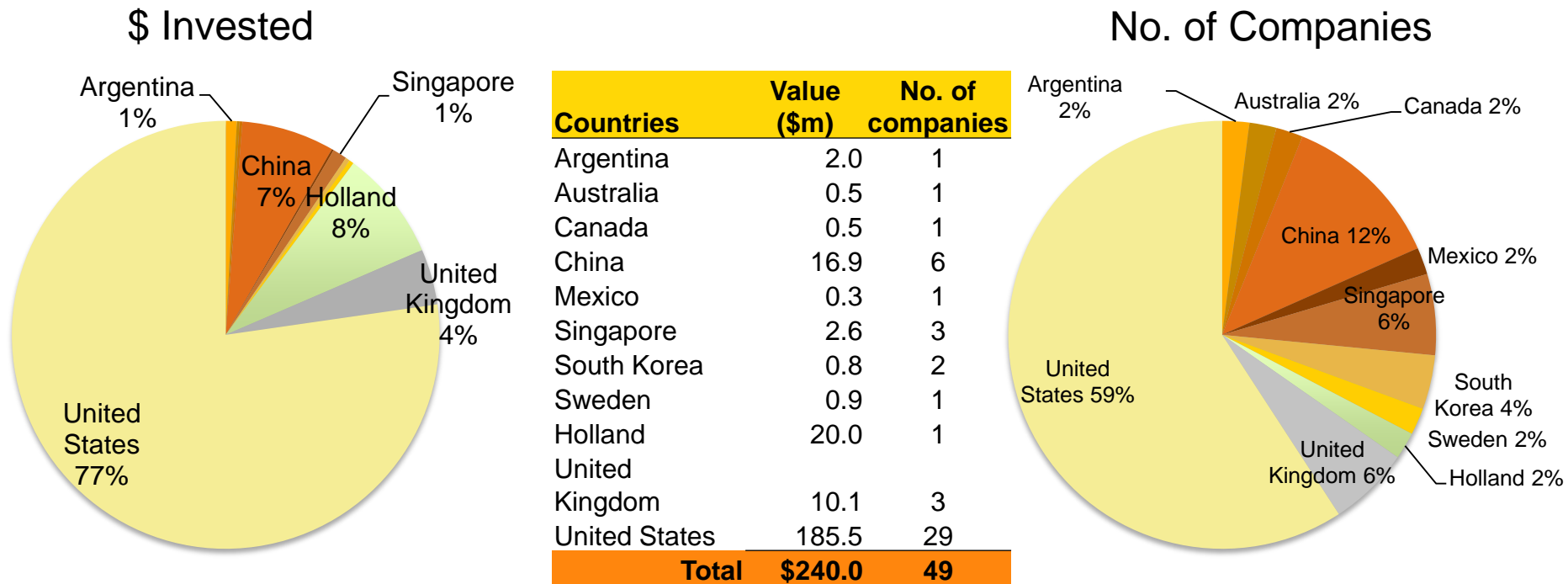
No. of Companies



- Over a quarter of VC-backed bitcoin companies are based in Asia
- 78% of all bitcoin VC \$s have been invested in North America to date, but only 61% of the companies are based there

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

US Continues to Dominate Bitcoin VC Investment, Total Share Increased in Q2

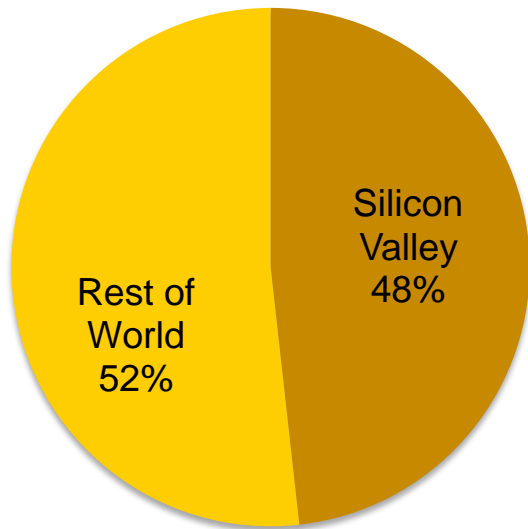


- Mexico, Holland and Argentina added their first VC-backed bitcoin startups in Q2
- Greatest number of VC-backed bitcoin companies are in the US and China

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

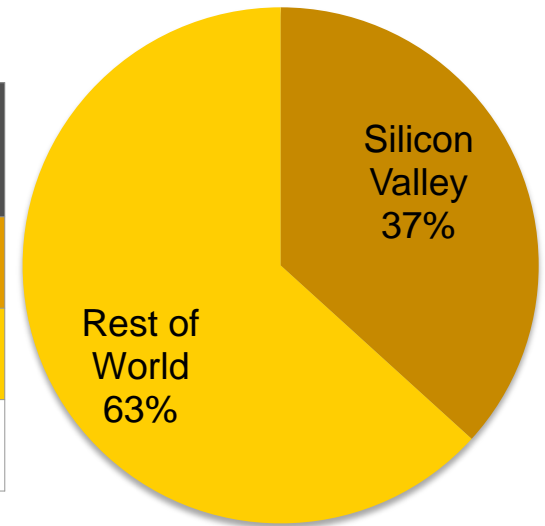
Silicon Valley's Share of Bitcoin VC Investment Climbed Slightly From 46% in Q1 to 48%

\$ Invested



Tech hub concentration	Value (\$m)	No. of companies
Silicon Valley	115.8	18
Rest of World	124.3	31
Total	\$240.0	49

No. of Companies



- 63% of VC-backed bitcoin companies are based outside Silicon Valley, but have just over one-third of all bitcoin funding

Source: CoinDesk (<http://www.coindesk.com/bitcoin-venture-capital/>)

Investor Views on Bitcoin



“ Just like the Internet disrupted the publishing industry, we’re going to see bitcoin micropayments creating some very interesting opportunities for pay-as-you-go, pay-based-on-time online businesses, and, frankly, some risks as well to the traditional business model as to how things get sold online. ”

Barry Silbert

SecondMarket, Bitcoin Investment Trust



“ On the question of whether bitcoin will replace money, a good analogy is the postal service and email. Email didn’t replace traditional mail, and we still send the same amount of mail today as we did before. But today we have totally new ways of communicating – chat, text, Facebook – things we didn’t imagine when the Internet first arrived. ”

Dan Morehead

Pantera Capital Management

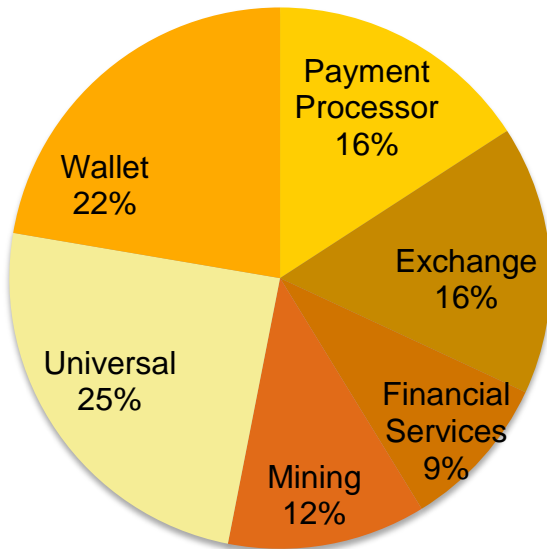
Source: CoinDesk, Absolute Return

The Bitcoin Startup Ecosystem: Six Different Bitcoin Company Classifications



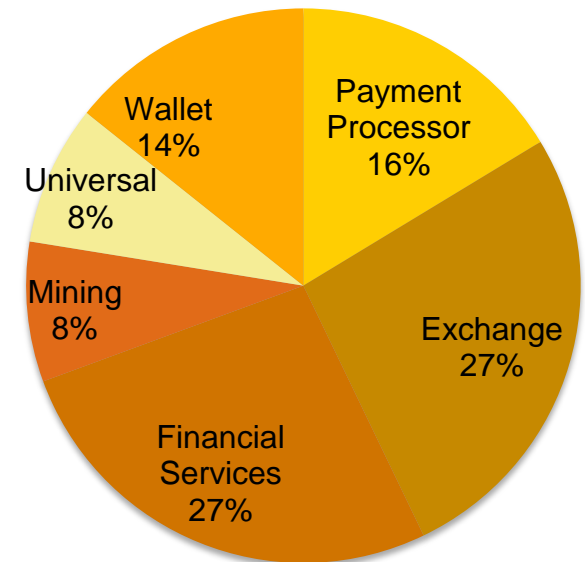
Universals Command the Most VC Investment

\$ Invested



Sector	Value (\$m)	No. of companies	Avg/co. (\$m)
Universal	59.0	4	14.8
Wallet	53.6	7	7.7
Exchange	38.6	13	3.0
Payment Processor	38.0	8	4.8
Mining Hardware	28.5	4	7.1
Financial Services	22.3	13	1.7
Total	\$240.0	49	\$4.9

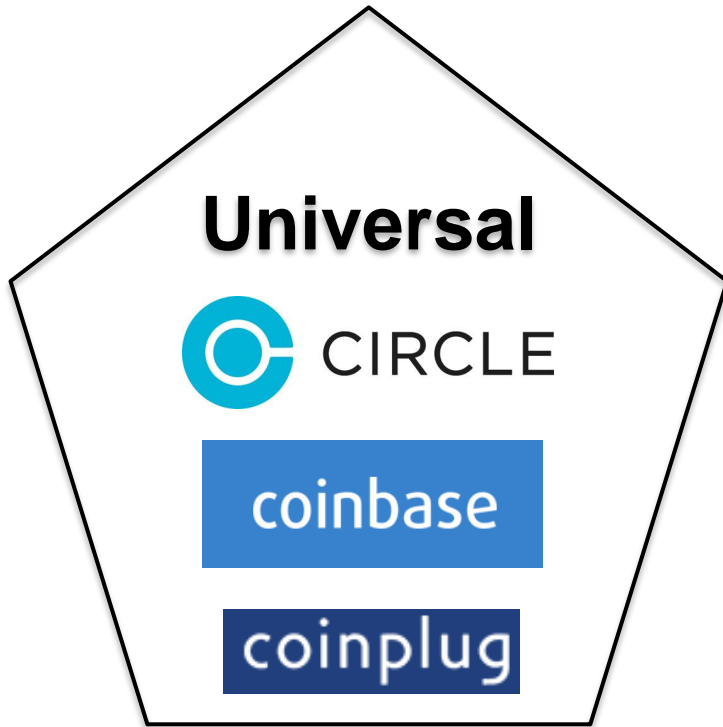
No. of Companies



- *Payment Processor (5.3x), Wallet (2.5x), Mining (2.2x) and Financial Services (1.5x) saw the largest Q1 over Q2 investment increase*

Source: CoinDesk, Dow Jones VentureSource, VentureScanner.com

The Emergence of the Universal Bitcoin Company



- Universals operate across more than one aspect of the bitcoin value chain (eg Coinplug offers payment processing, wallet, and ATM)
- Universal bitcoin companies leverage two key elements of financial services: efficiency and trust
- It's possible that more and more bitcoin startups will pursue the universal model, be absorbed by universals, or fade away

Commerce

New Applications and Services Announced in Q2 Are Making Bitcoin Easier to Use and Trust



Insured bitcoin wallets

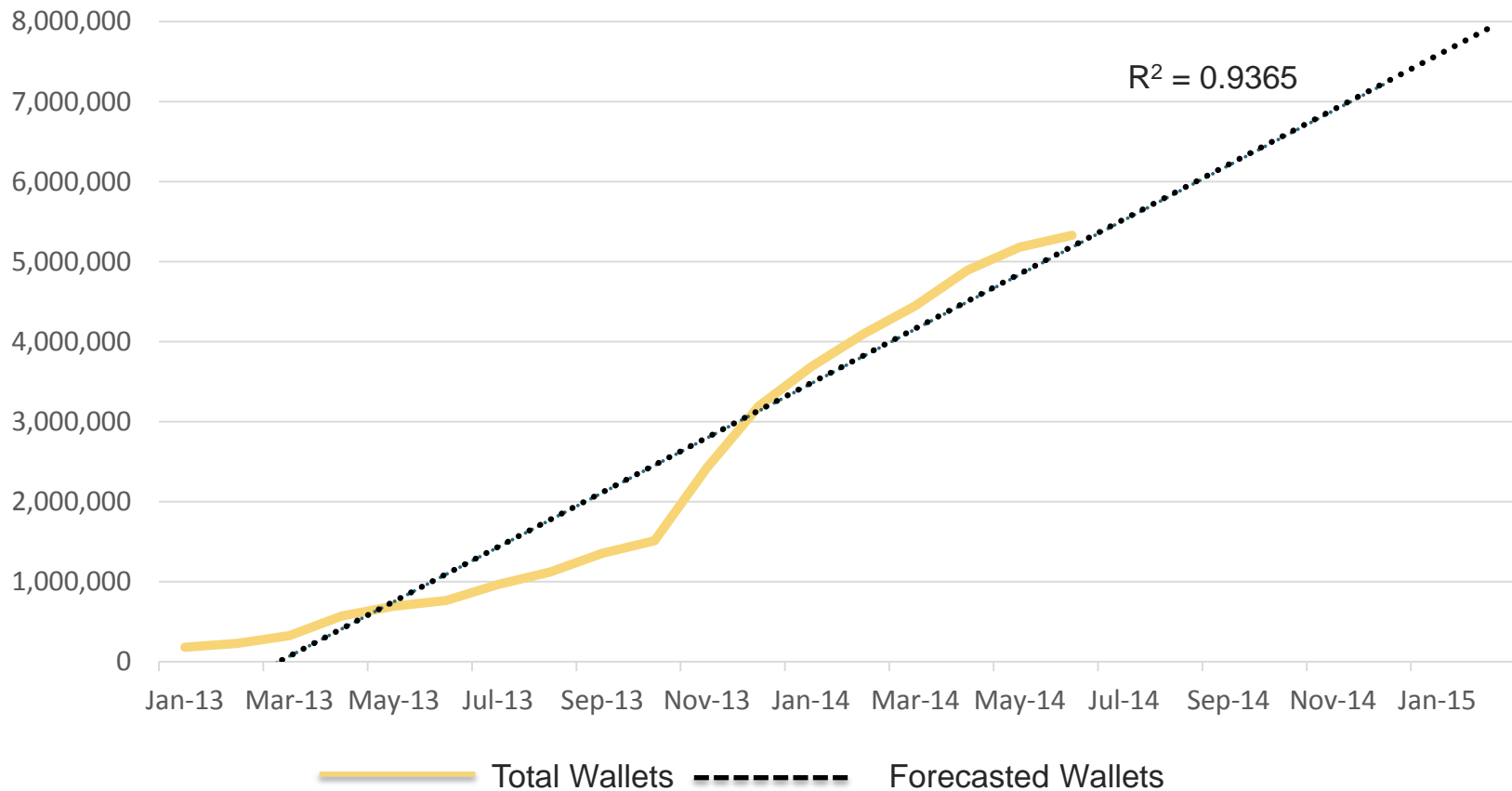


Bitcoin-linked debit cards

bitreserve

Transparent balance sheet

Approximately 8 Million Bitcoin Wallets Forecasted by Dec 2014



Sources and notes: total wallets based on data from Blockchain.info, MultiBit.org, Coinbase, Andreas Schildbach (Android Bitcoin Wallet developer). Historical Coinbase data provided by BitcoinPulse.com.

Approx. 63,000 Merchants Now Accept Bitcoin, Vast Majority Are Online Businesses



\$13.9 billion annual revenue



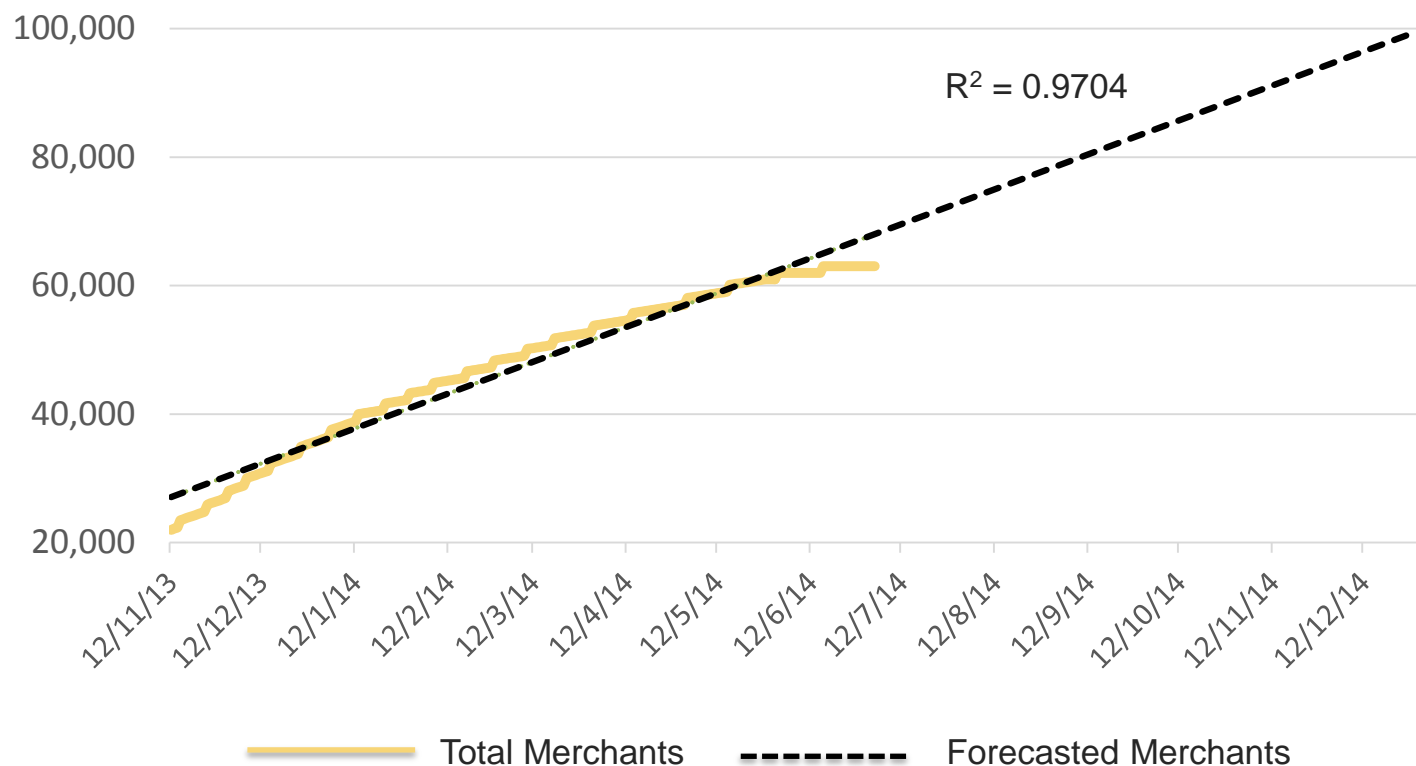
\$5 billion annual revenue



\$2.8 billion annual revenue

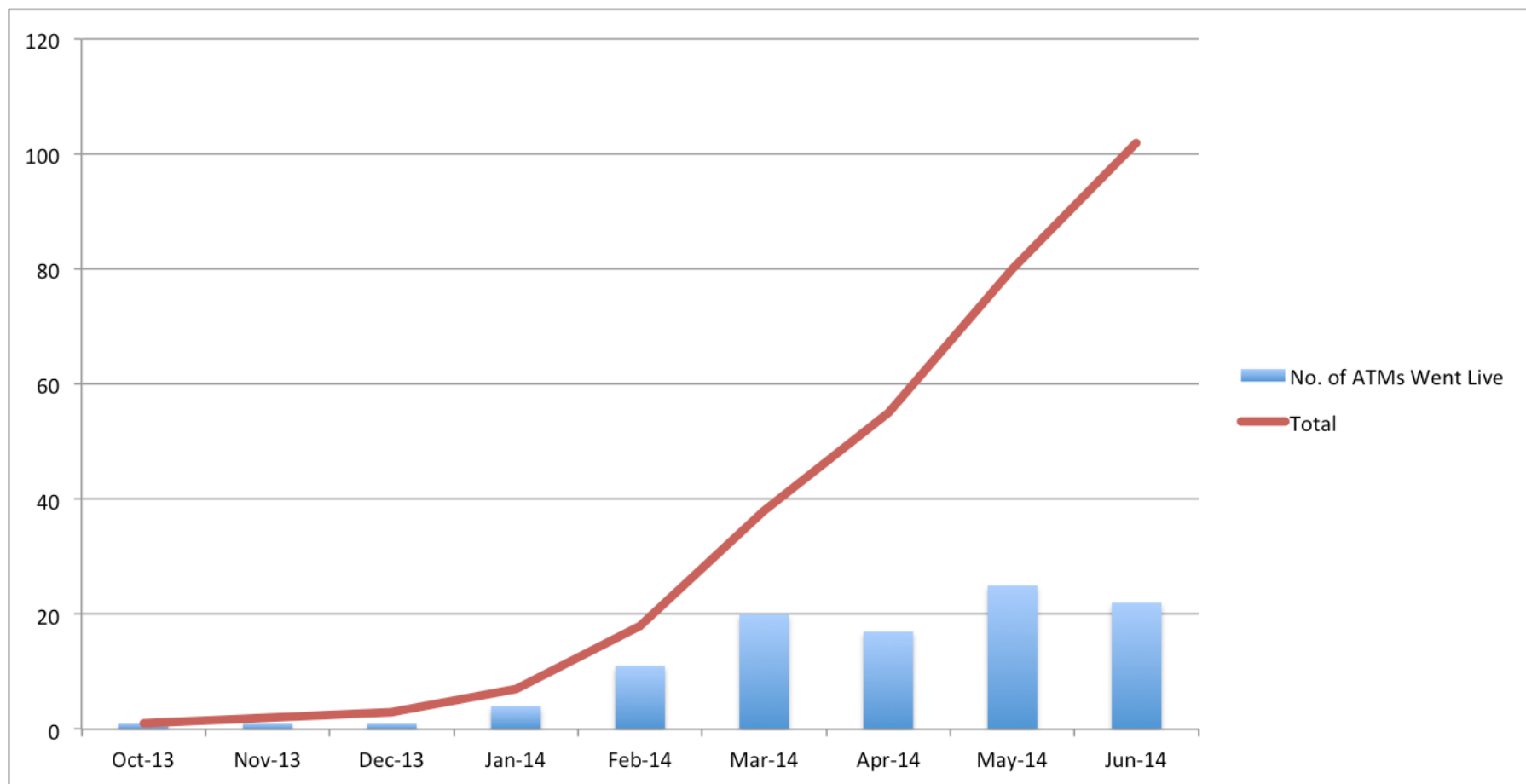
Source: Coinbase and BitPay

Approximately 100k Bitcoin-Accepting Merchants Forecasted by Dec 2014



Sources and notes: total current merchants based on data from Coinbase and BitPay. Historical Coinbase data provided by BitcoinPulse.com. BitPay historical data between new merchant press release announcements of 10,000 (16th Sept 2013), 20,000 (13th Jan 2014) and 30,000 (28th May 2014), respectively, calculated using linear interpolation.

Bitcoin ATM Deployments Gained Pace in Q2 2014 ...



Source: CoinDesk

... Now Over 100 Bitcoin ATMs Around the World

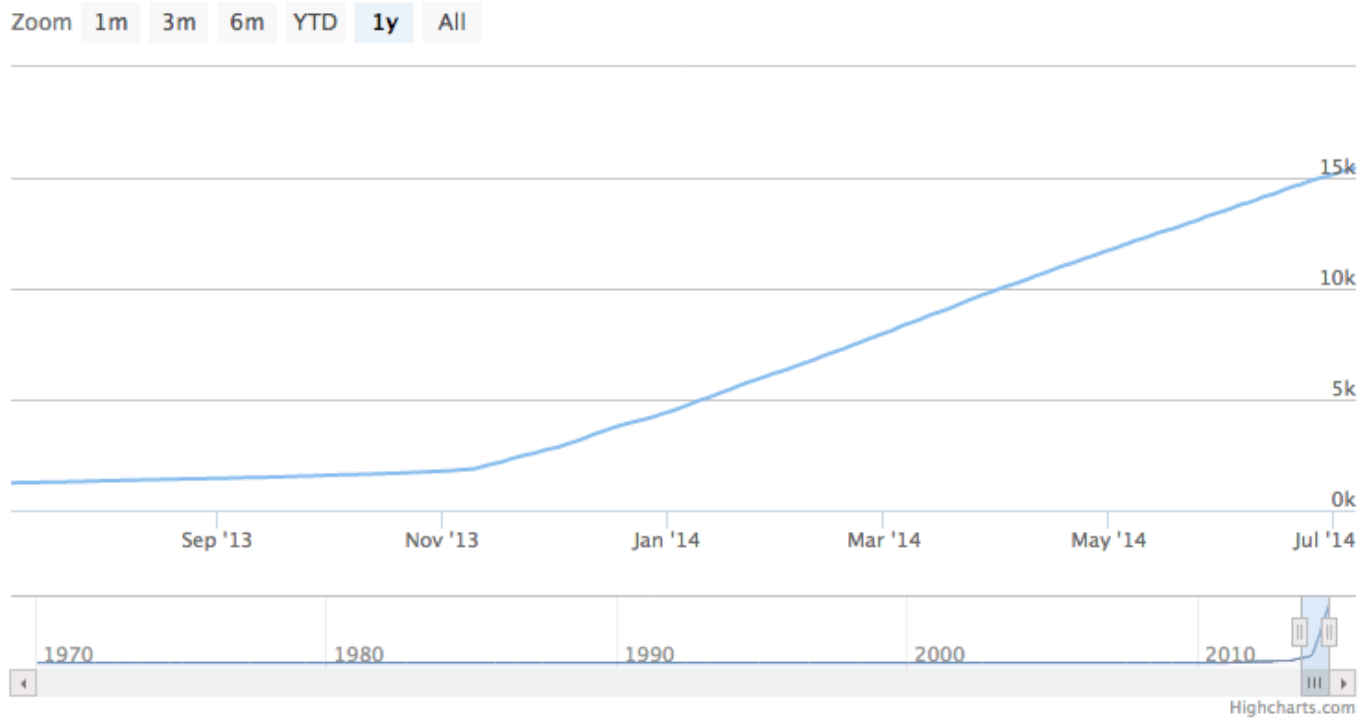


Technology

Bitcoin Developer Ecosystem Grows

- Developers continue to remain highly engaged with bitcoin projects

Github Num Updated Repositories



Source: BitcoinPulse.com

There Are Now Approximately 340 Bitcoin iOS Apps ...



... and 250 Bitcoin Apps on Android



Bitcoin is 4,000x Cheaper Than a Typical Remittance Transaction

Remittances:

Average global remittance fee of 8.14% per \$200 (\$16.28)

Bitcoin:

Median transaction fee is \$0.004

Remittances vs. bitcoin:

Bitcoin is 4,070 times cheaper on a \$200 transaction

Source: World Bank Remittance Prices Worldwide; Blockchain.info

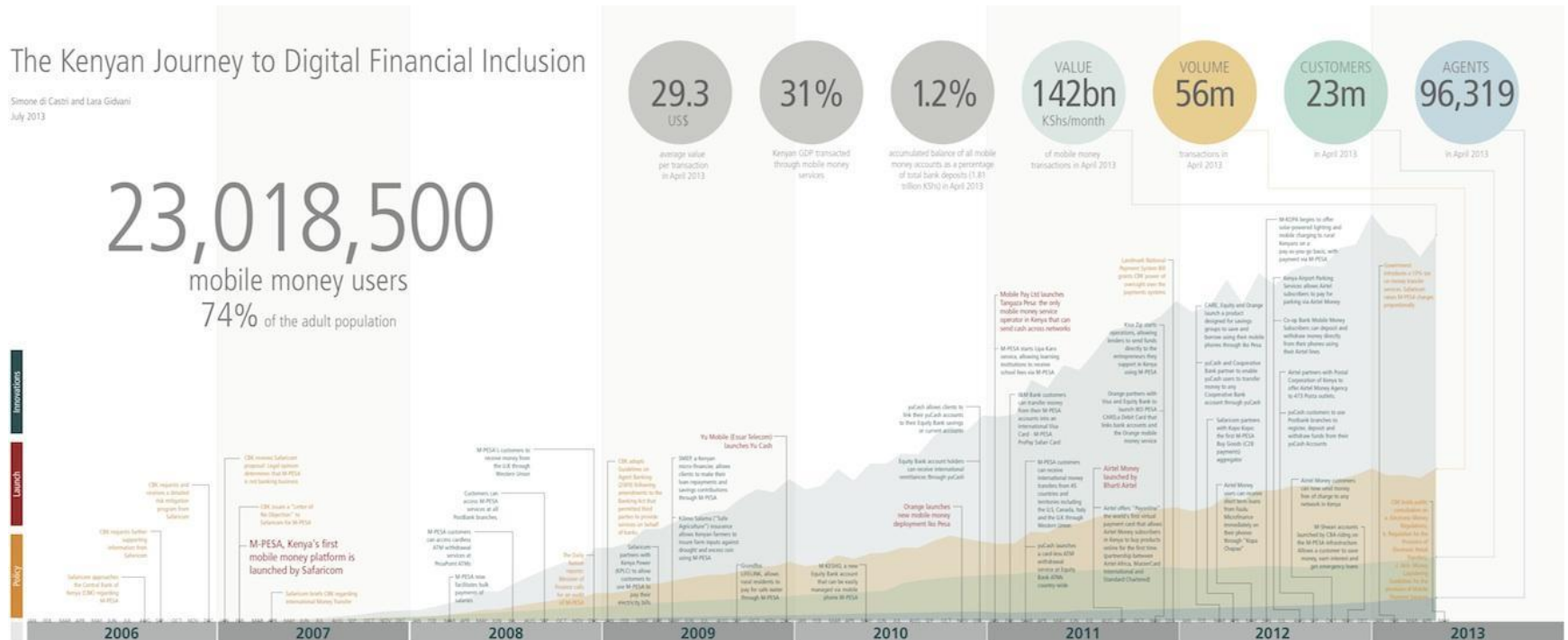
Emerging Markets and Macro

Emerging Markets Love Mobile Money

- 74% of Kenya's adult population uses M-Pesa and other mobile money services

The Kenyan Journey to Digital Financial Inclusion

Simone di Castri and Lara Gidvani
July 2013

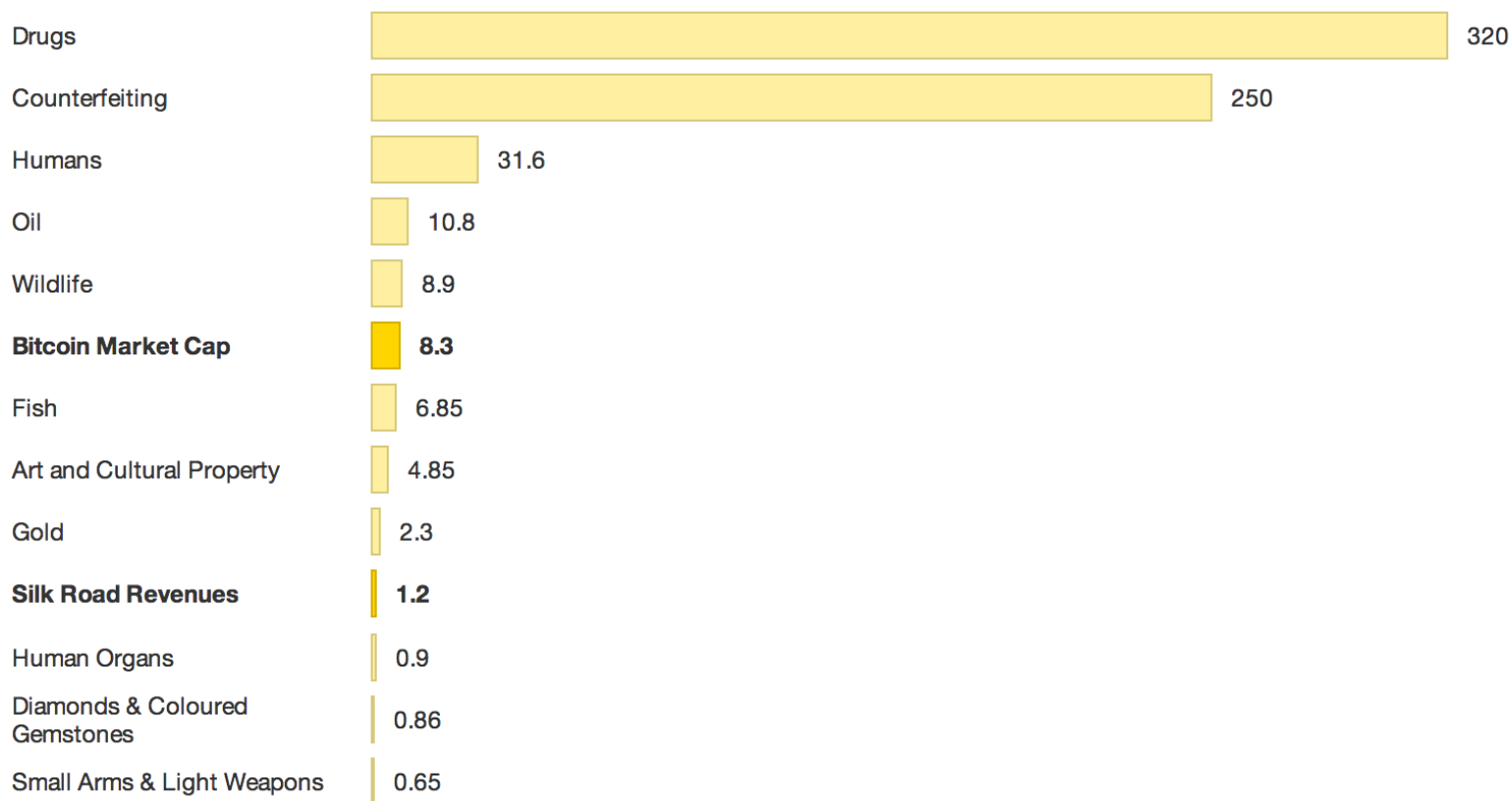


Sources: [GSM Association](#), Simone di Castri and Lara Gidvani

Bitcoin Dwarfed by Global Illicit Markets

Size of Global Illicit Industries in 2011

(\$ billions)



Source: Global Financial Integrity, FBI. Full chart: <http://cf.datawrapper.de/Gc830/4/>

Bitcoin's Regulatory Environment is Stabilizing and Trending Toward the Positive

- Recently released minutes from a Federal Reserve Advisory Council and Board of Governors meeting suggest that “banking could participate increasingly in bitcoin fund flows, especially as multicurrency accounts proliferate and reputational concerns subside”.
- “The Advisory Committee can't dictate policy, but the minutes can shed light on what Fed policy might look like in the future.” [CNN]
- “A task force of US state regulators is working on the first bitcoin rule book with the hope of protecting users of virtual currency from fraud without smothering the fledgling technology. Bitcoin users currently face a range of rules across the 50 states.” [Reuters]

Bitcoin Continues to See Regulatory Gains and Setbacks, But Overall Regulation Has Slowed



California legalized bitcoin in June 2014



Bolivia made bitcoin and other cryptocurrencies illegal in May 2014


Keeping Mt. Gox in Perspective

J.P. Morgan to Pay More Than \$2 Billion to U.S. in Penalties in Madoff Case

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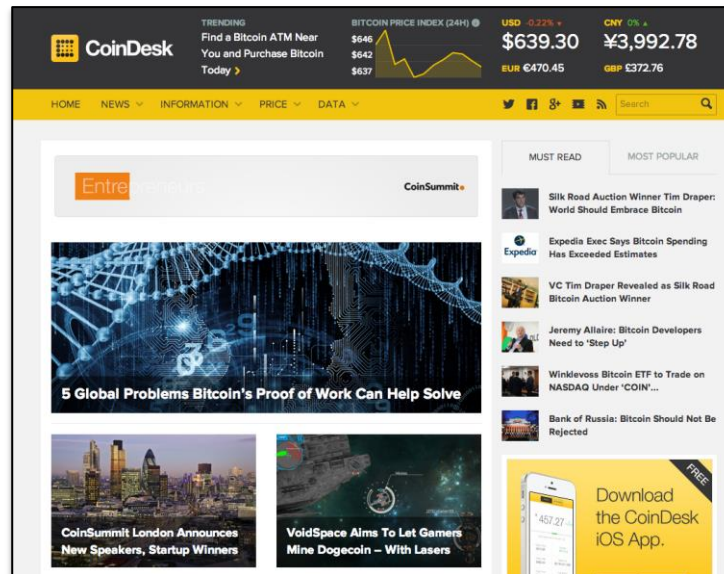


**\$8.9bn
fine**

Source: Baseline Scenario

Appendix - CoinDesk

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- We also welcome any feedback you have on the report



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