



What's the fair value of Bitcoin?

Désirée Müller, SwissRex AG @ Krypto-Lunch

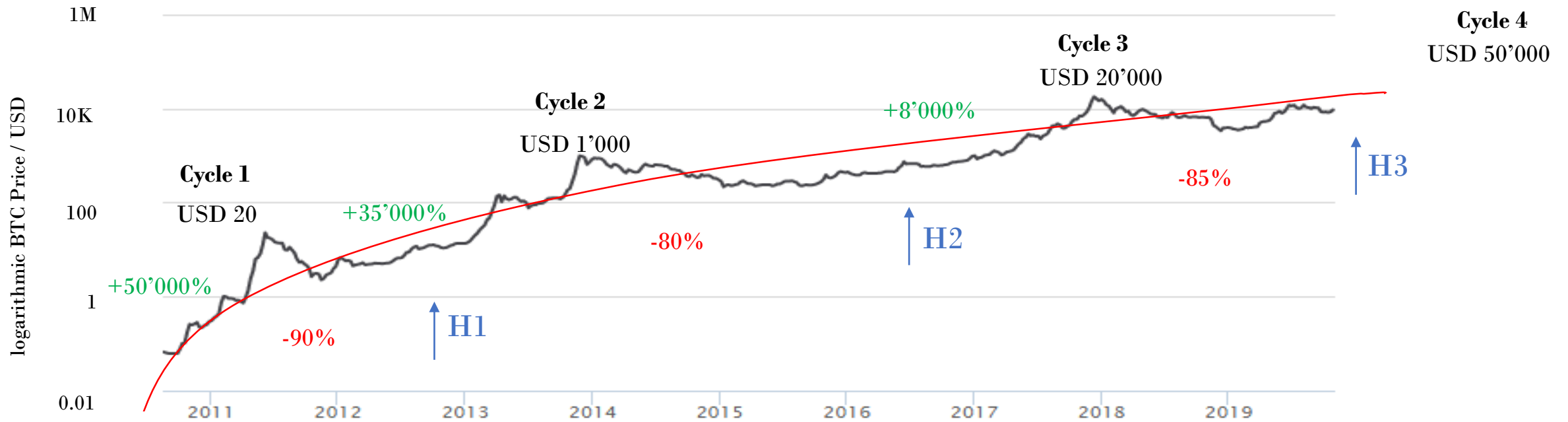
December 6, 2019

Token Classification



| Token Classification | Traditional | Crypto | Valuation |
|-----------------------------|--------------------|---------------|----------------------------|
| STORES OF VALUE | Gold | Bitcoin | Capped stock to flow model |
| CURRENCIES | USD | Chainlink | Quantity model, S-curve |
| SECURITIES | Equity | Nexo | DDM and P/E models |

Bitcoin Cycle



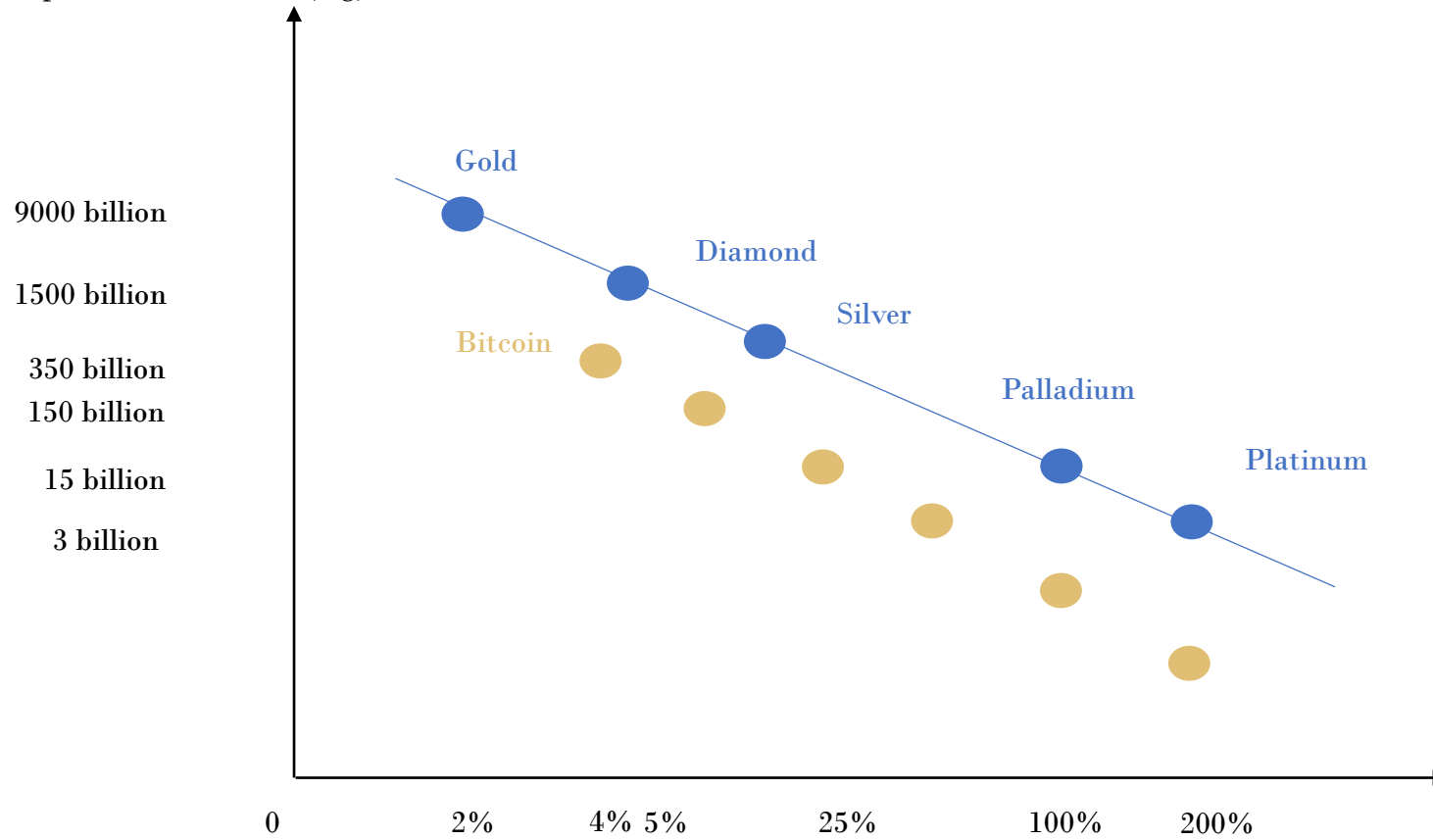
logarithmic trend

H = BTC halving

Digital Gold Challenges Physical Gold



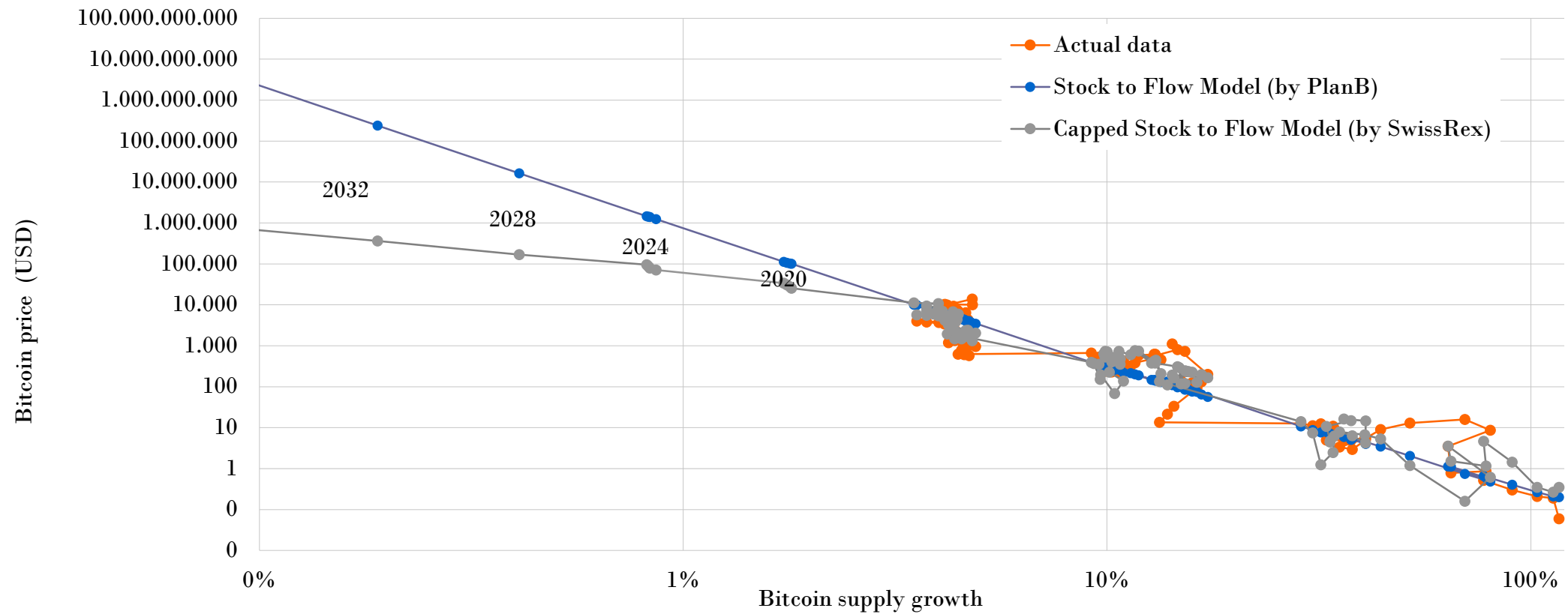
Market capitalization in USD (log)



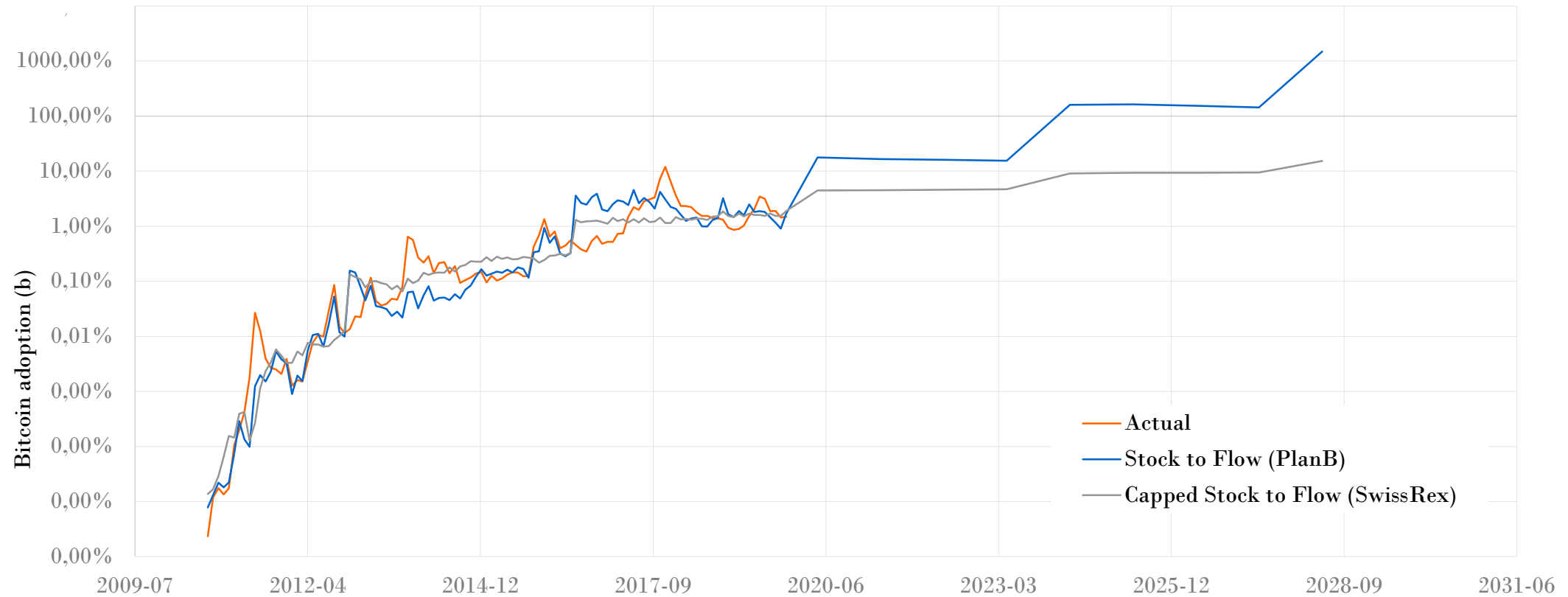
Precious metals

- 1) scares
- 2) unforgeable
- 3) easy storage
- 4) efficient use

Capped Stock to Flow Model: Price



Capped Stock to Flow Model: Adoption



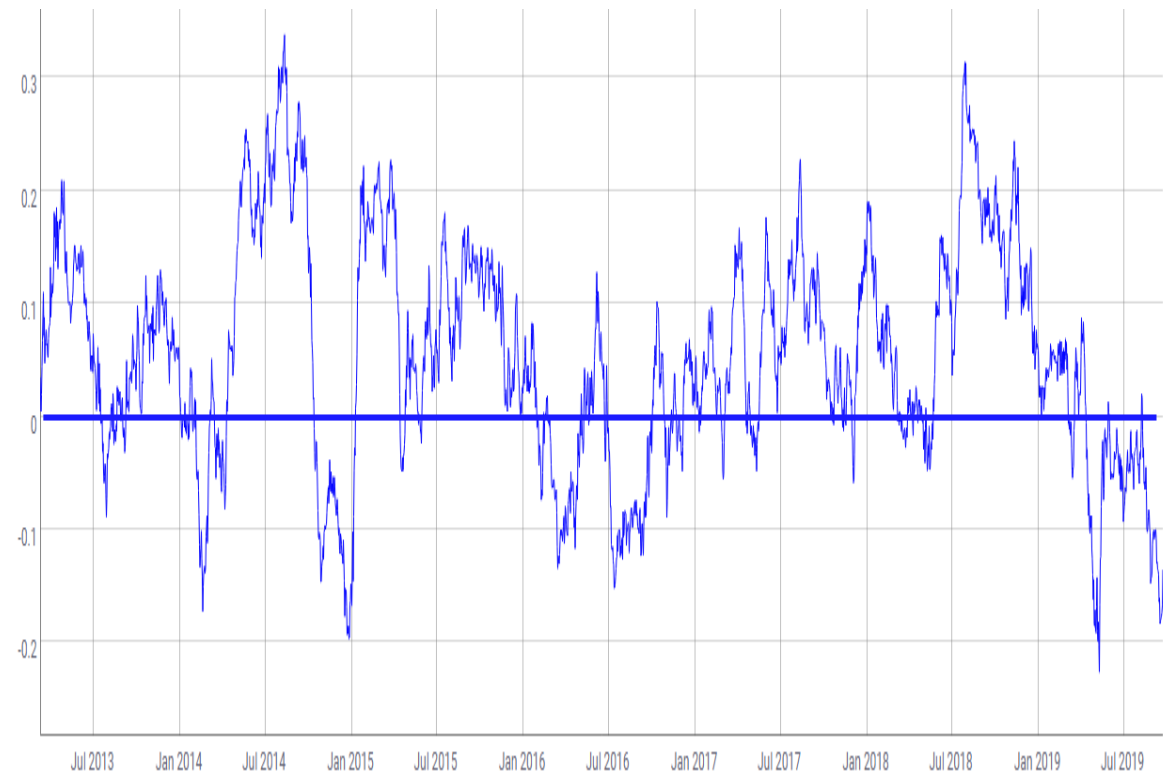
Diversification with Crypto: Risk



Correlation BTC / Gold, 90 days moving average



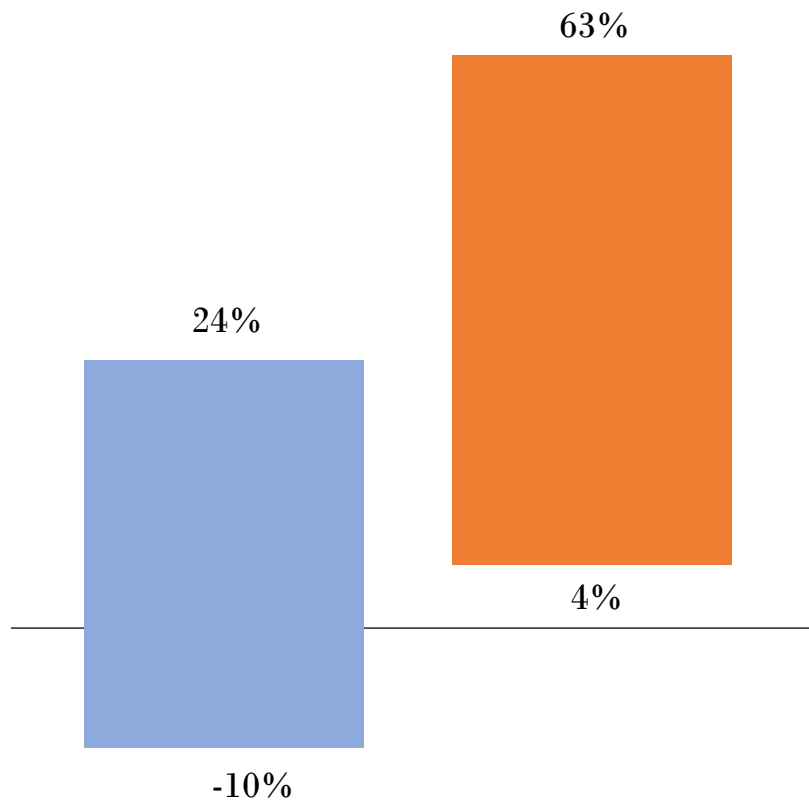
Correlation BTC / S&P500, 90 days moving average



Diversification with Crypto: Return

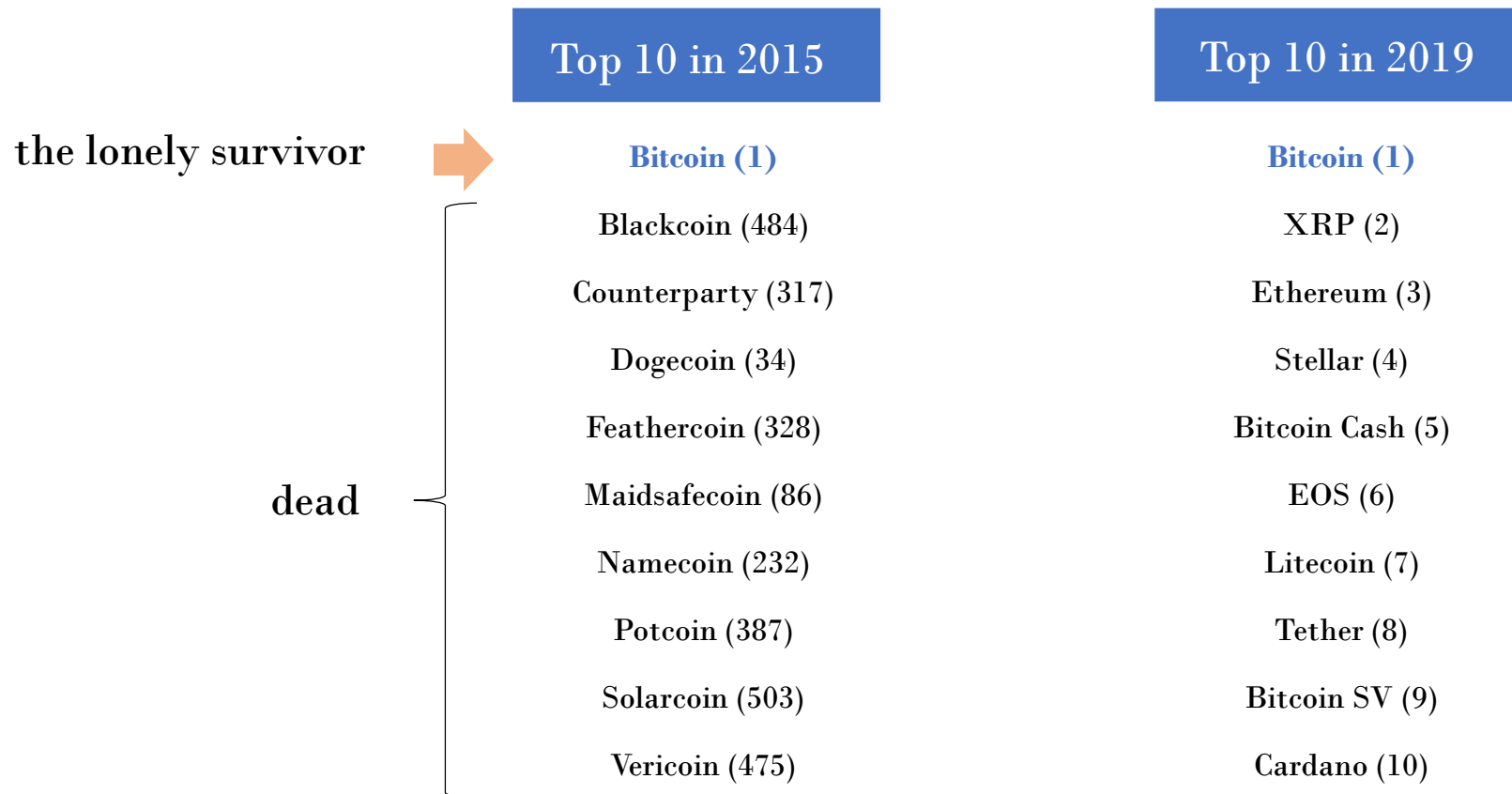


Average 2-year rolling returns since 2009



| Portfolio | Annual return |
|---------------------------------------|---------------|
| 70% equities + 30% bonds | 10.7% |
| 70% equities + 30% bonds + 2% bitcoin | 19.9% |

Active vs. Passive Portfolio Management



Contact



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