



The basics about Bitcoin and a few interesting facts

Content

- The pre-history and history of cryptocurrency
- What is a Bitcoin?
- Some facts and numbers
- Bitcoin market capitalization
- Hashing power and costs
- Adoption
- Cryptocurrency acceptance in Lithuania



Basics

Brief history of how cryptocurrency came into existence

- SHA hashing algorithm created by NSA in 1995
- Nick Szabo designed a mechanism for cryptocurrency in 1998 and called it bit gold
- Satoshi Nakamoto distributed the Bitcoin whitepaper in 2008
- First Bitcoins mined in 2009
- First pizza for 10.000 Bitcoins purchased in 2010
- First altcoins started appearing in 2011
- Bitcoin Foundation found in 2012
- Major market collapse in 2014 following the hack of Mt.Gox exchange
- Ethereum introduced in 2015
- ICO boom in 2017
- 2018 – regulations and market stabilization?



What is a Bitcoin?

Bitcoin is decentralised, cryptographically secured form of digital money.

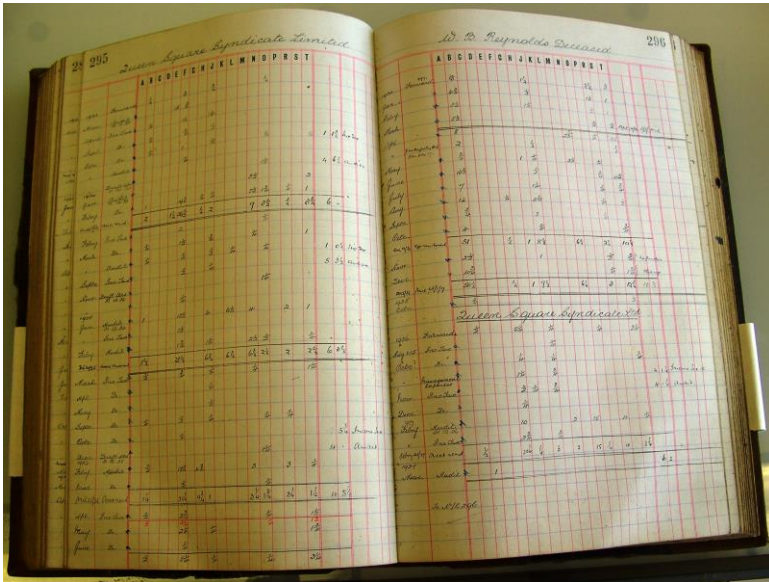
The framework of Bitcoin is a public ledger, called blockchain, holding all the history of all transactions.

New Bitcoins are created by solving a difficult mathematical puzzle while compiling recent transactions into a new block. It's called mining.

Owning Bitcoins means owning the right to transact certain amount of digital assets.

A ledger or blockchain

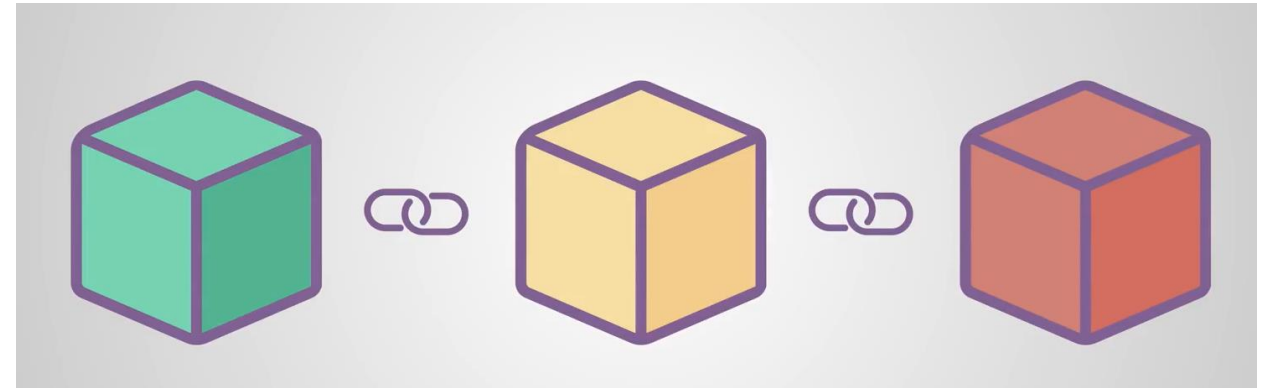
Traditional:



Date

Data

Bitcoin:



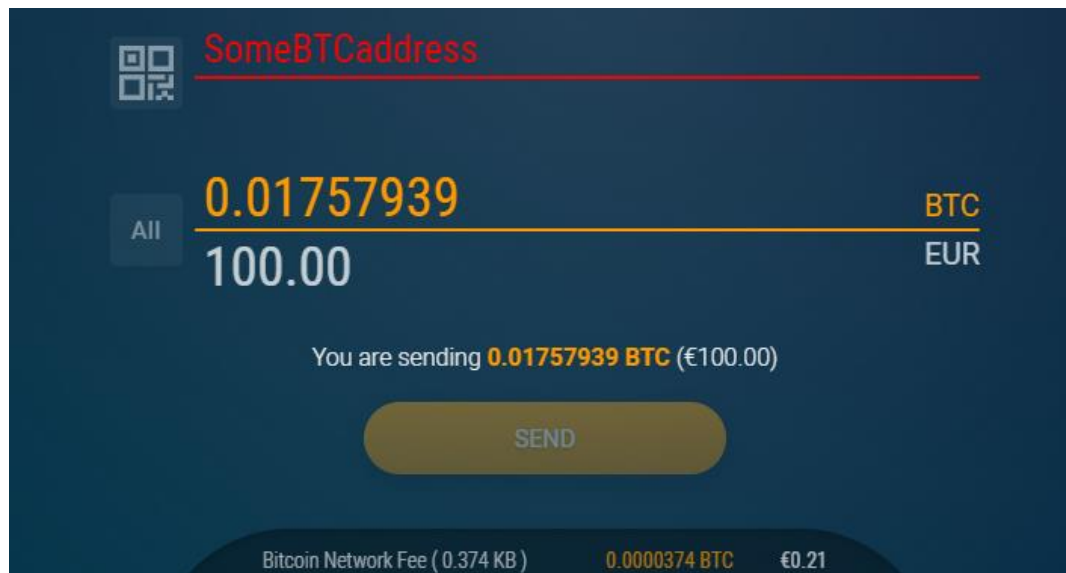
Data

ID of a block [hash]

ID of a previous block [hash]

Transactions

- Currently > 200.000 / day
- Confirmation time: 10 – 60 mins



Printescreen example – Exodus wallet



BTC wallet address generator: <https://www.bitaddress.org/>

Wallets

PC

Mobile

Hardware

Exchange

Paper



Exodus

Jaxx

Trezor

Luno.com

Bitcoinpaperwallet.com



SHARE

18LyL5dWfpqvkkqFmdXTNFZaRJHKco7PRkQ

SECRET



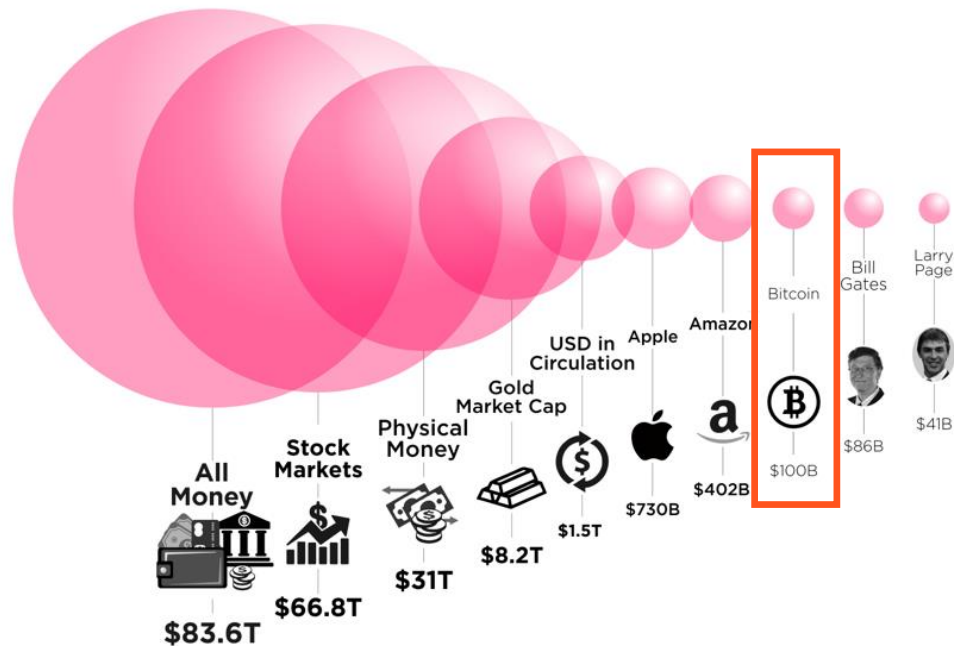
Private Key

KxmEHXgGxJAqQXDZSgKzEe1r1Vk6Rnr3jC86UMymow5hd8Ljm5SJ

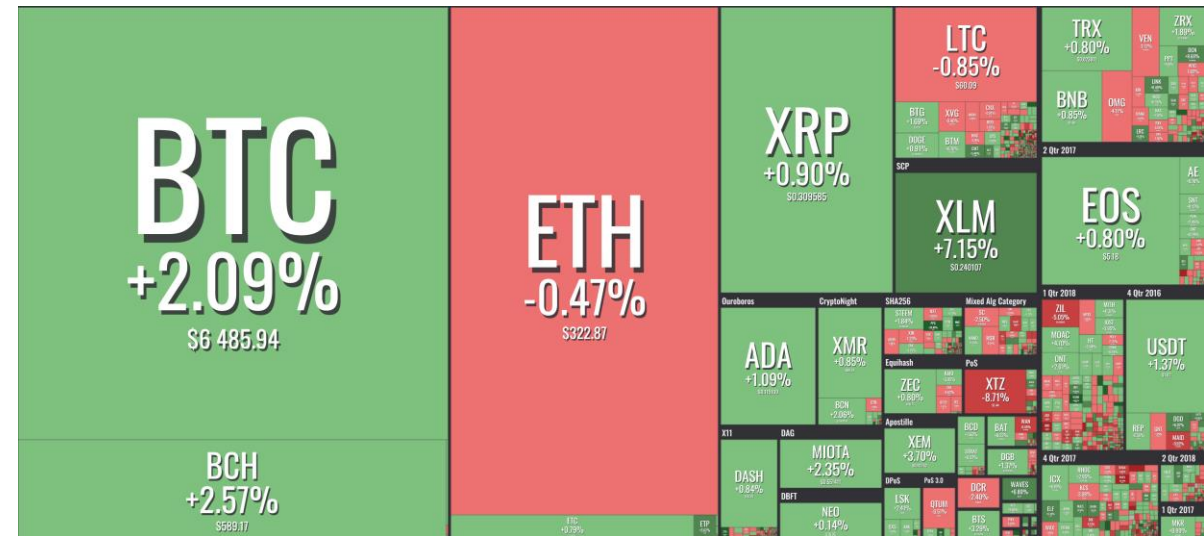
Key facts and figures

Price and capitalization

- Current price: ~5500 Eur
- Market cap: ~95 bln. Eur



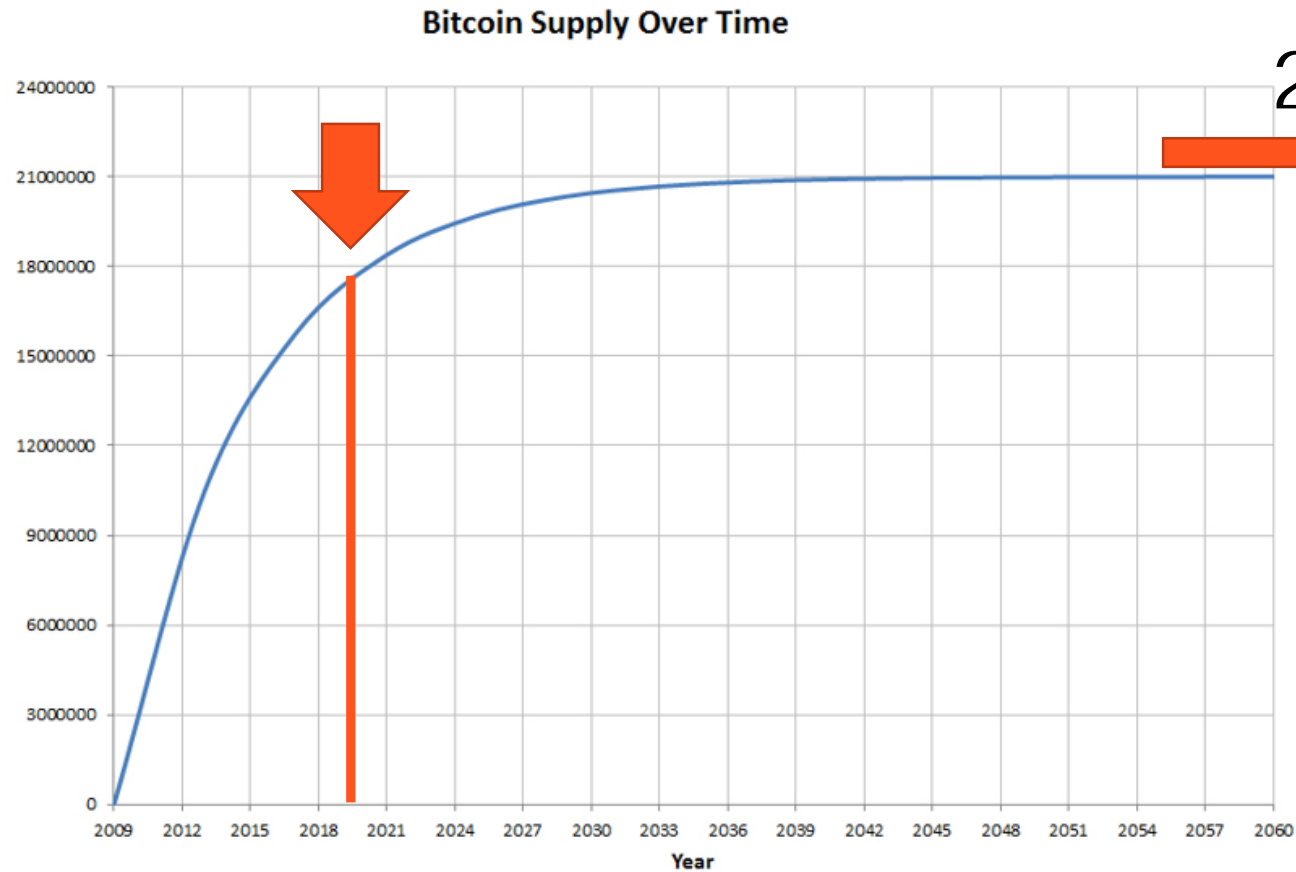
Source: Howmuch.net 2017-06



Source: Coin360.io 2018-08

Supply

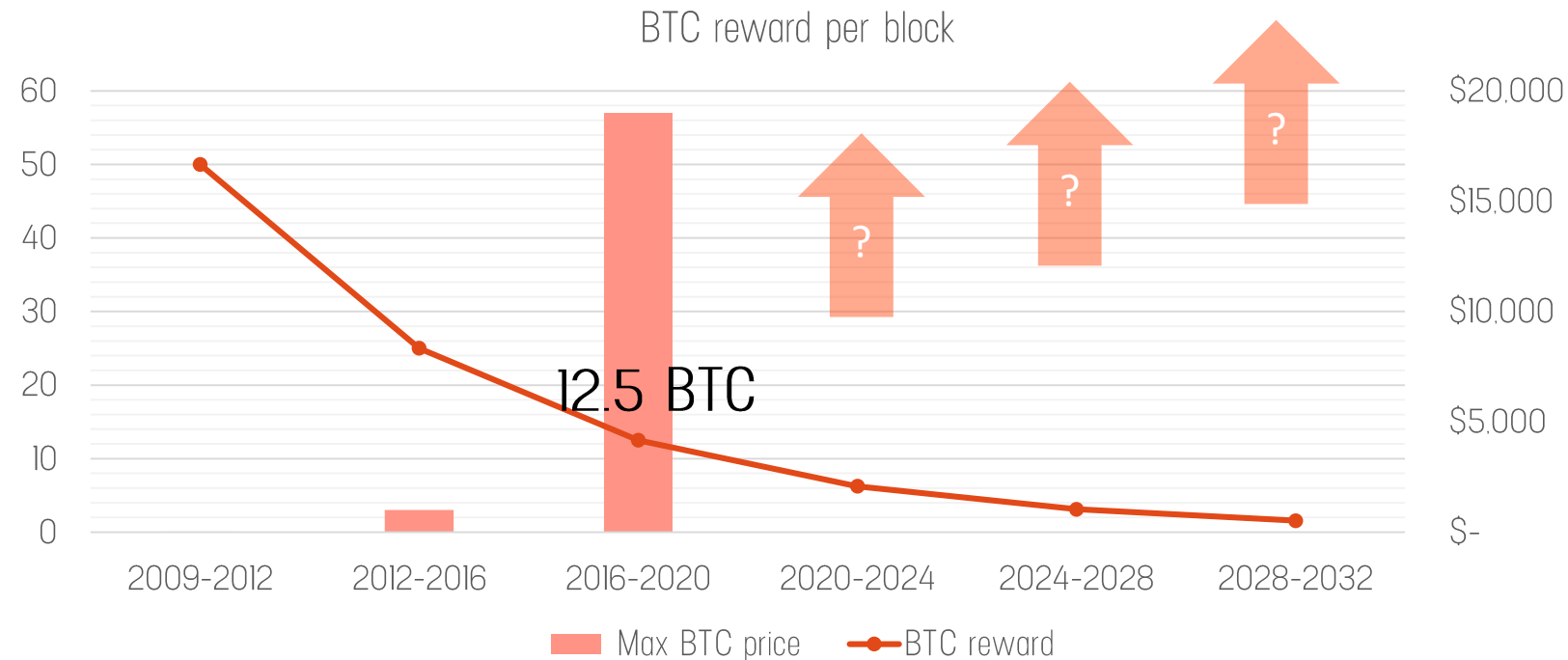
- Max supply: 21 mln. coins
- Current supply: 17.2 mln. of coins



2140 last BTC is mined

Pace of creation

- Pace of creation of new Bitcoins: each 10 mins
- Current reward for a new block: 12.5 Bitcoins
- In 2020 the reward will be 6.25 Bitcoins



Value and hashing power

- Each day 1800 new Bitcoins are created, of value ~10 mln. Eur
- Current hashing power of the network: ~50 Exahashes/s

4000.000 Antminer S9i
1.35 kW each



~500 eur

Energy costs

- Electricity consumption is: ~70 TWh/year
- Total cost: ~4 bln. Eur/year

Energy consumption [not cost] is equivalent to yearly energy demand of:

1 x



6 x



70 x



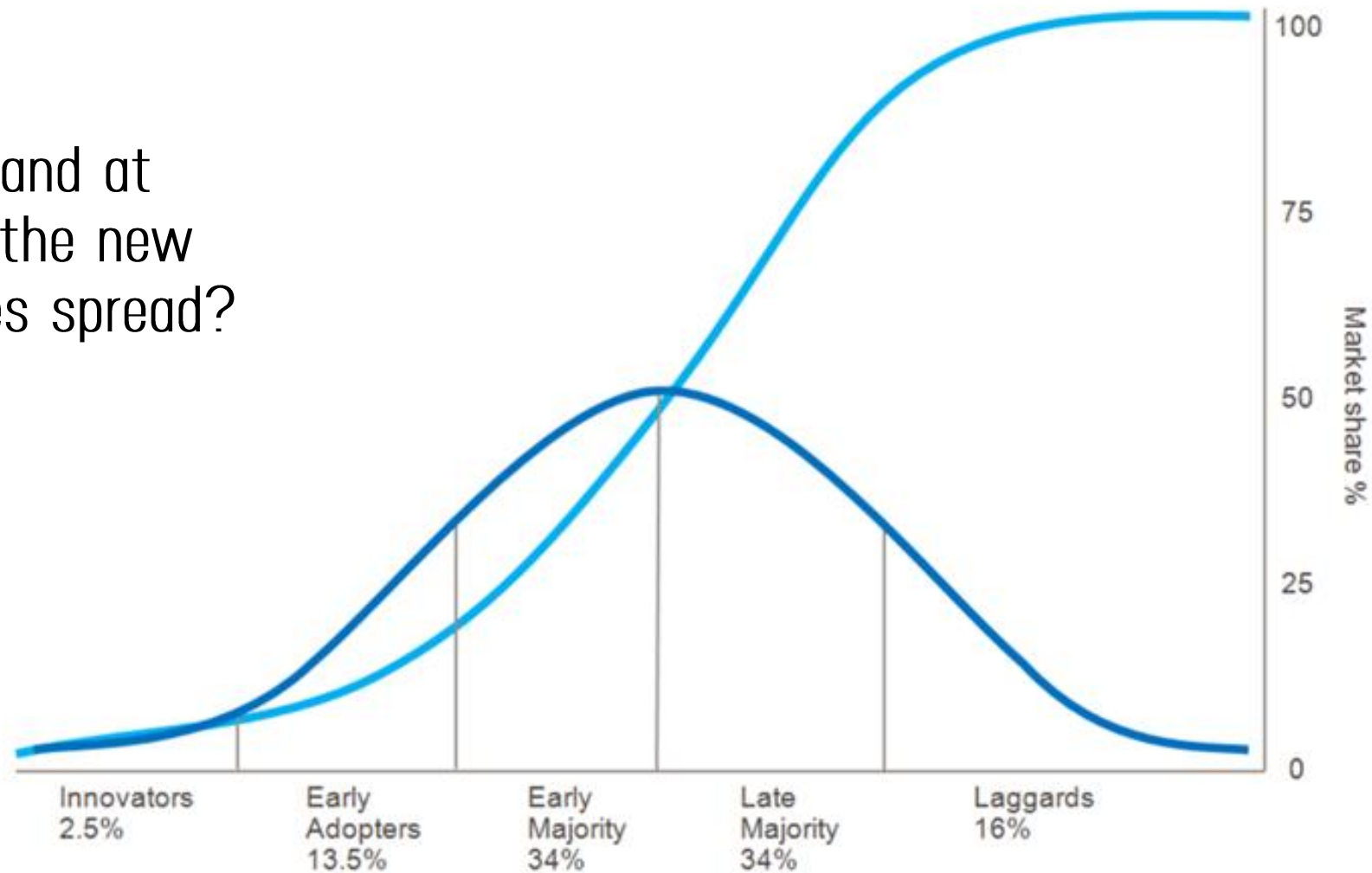


Somebody was smart enough to consume the energy for free 😊

Bitcoin adoption

Everett Rogers diffusion of innovations model

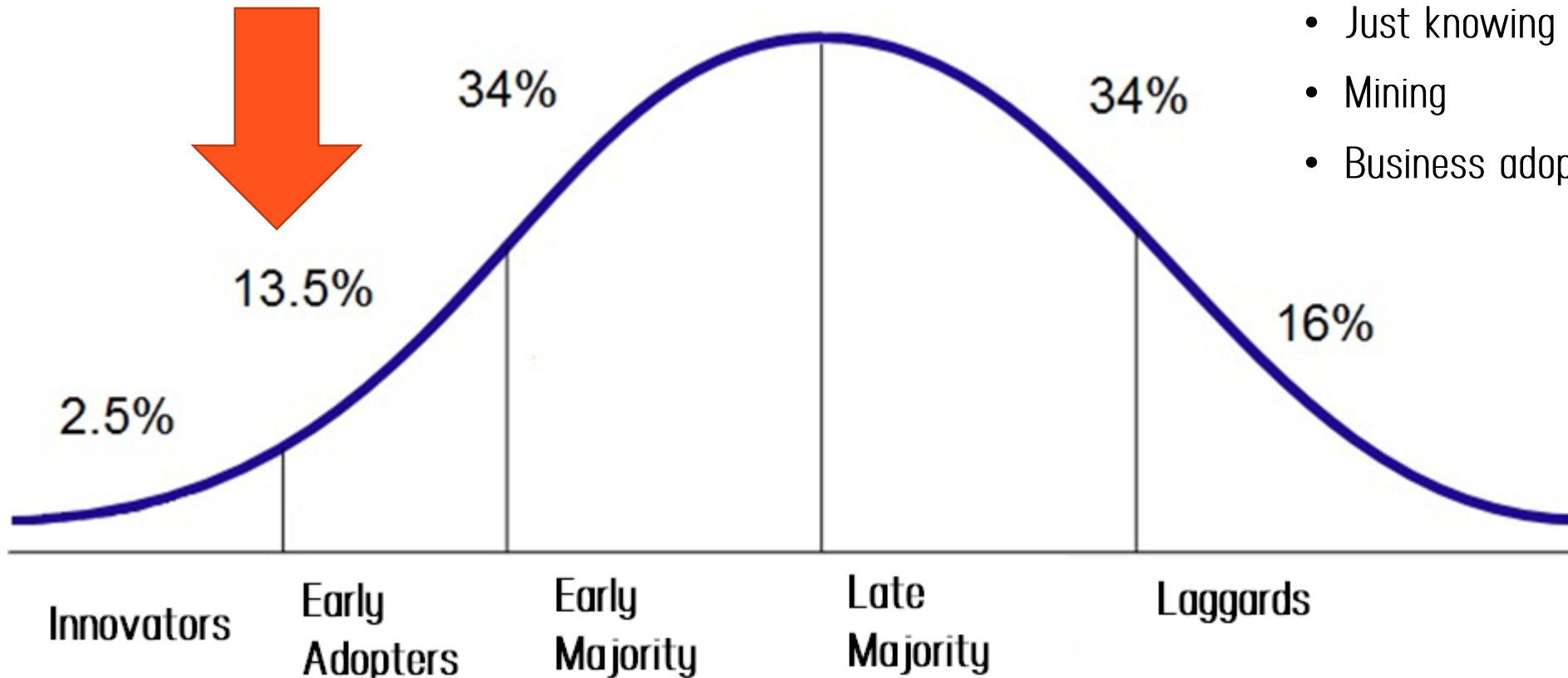
How, why and at what rate the new technologies spread?



Bitcoin adoption?

Somewhere here...

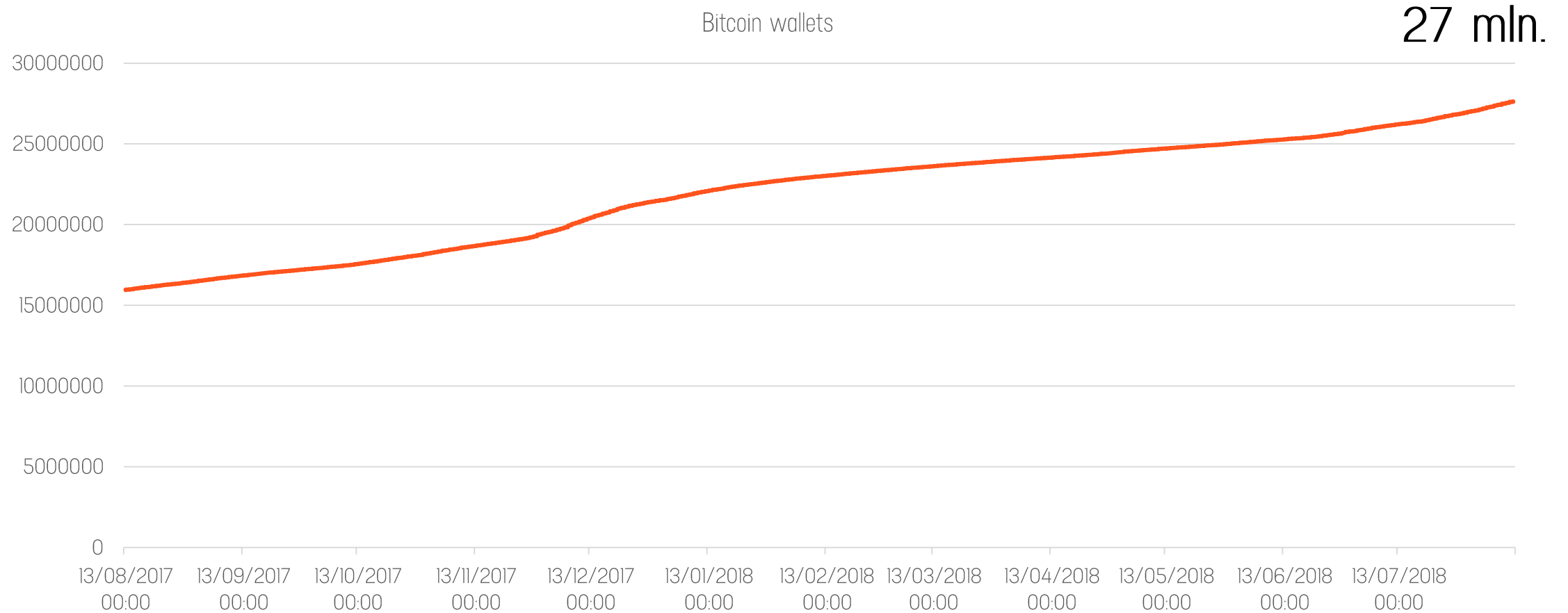
What do you think?



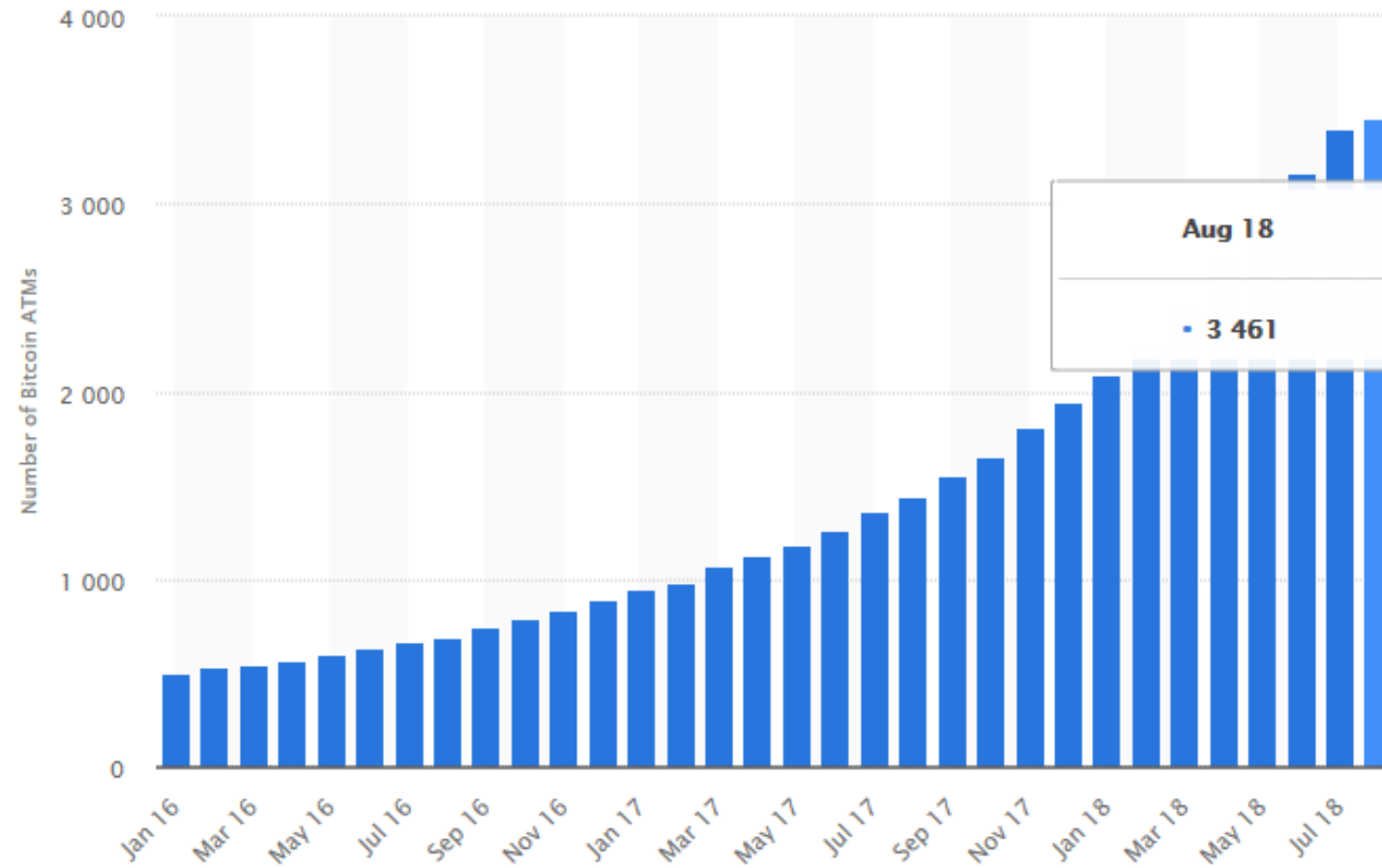
How to measure?

- Active usage
- Just knowing about existence
- Mining
- Business adoption

Bitcoin wallets



Bitcoin ATMs

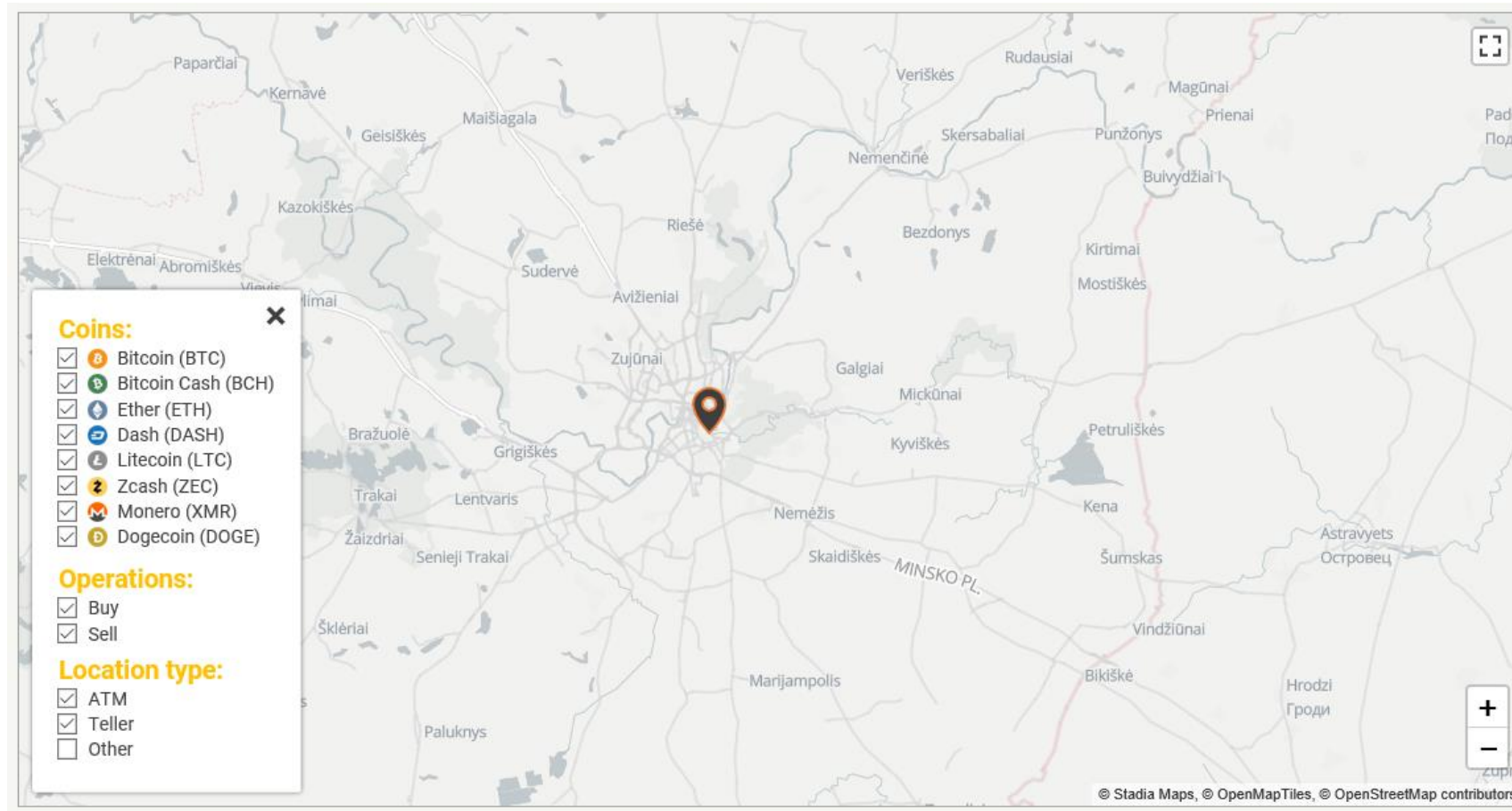


Biggest ATM manufacturers:

- Genesis Coin
- General Bytes

Was Venezuela counted?

ATMs in Vilnius... ☹️



Crypto acceptance in Lithuania is way bigger!

The logo for TOPO CENTRAS, featuring the word "TOPO" in large, bold, blue capital letters, with "CENTRAS" in smaller, blue capital letters below it.The logo for varle, featuring a green stylized frog head above the word "varle" in a green, lowercase, sans-serif font.The logo for EXPRESS JAZZ, featuring a stylized saxophone inside a circle on the left, and the words "EXPRESS JAZZ" in a bold, orange, sans-serif font on the right.The logo for JIMMY JUMPS HOUSE, featuring the words "JIMMY JUMPS HOUSE" in a stylized, blue, outlined font on a yellow background, with "HOSTEL • VILNIUS" in smaller text below.The logo for cloudlix, featuring the word "cloud" in blue lowercase letters and "lix" in white lowercase letters inside a blue cloud shape.The logo for Denticija, featuring a stylized white tooth icon inside a teal heart shape, followed by the word "Denticija" in a teal, sans-serif font.The logo for Cloon garden ART HOTEL, featuring a stylized lotus flower above the word "Cloon" in a large, black, cursive font, with "garden" in a smaller, black, cursive font below it, and "ART HOTEL" in a small, black, sans-serif font at the bottom.The logo for Kazimiero Simonavičiaus UNIVERSITETAS, featuring a red circular emblem with a white 'X' inside, and the text "Kazimiero Simonavičiaus UNIVERSITETAS" in red, sans-serif font below it.

You can fix your teeth, drive a taxi to shave your beard, book a room, have a dinner and access to a university by using Bitcoins in Lithuania.

Thank you!

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