



MicroStrategy CEO Michael Saylor Increases Investments in Bitcoin

Description

Bitcoin was launched 13 years back by an individual called Satoshi Nakamoto. While the cryptocurrency was initially viewed as a gimmick, it has gained significant momentum in the last decade and is currently considered an alternative asset class, at least in the developed world. Since the start of 2020, Bitcoin has attracted significant investments from institutions, including software company **MicroStrategy** ([NASDAQ:MSTR](#)).

According to Q3 reports, MicroStrategy CEO Michael Saylor confirmed the company continues to expand its Bitcoin holdings, adding around 9,000 Bitcoins in the September quarter. This increases MicroStrategy's total Bitcoin holdings to over 114,000, which suggests it owns approximately US\$7 billion worth of the [cryptocurrency](#) on its balance sheet. MicroStrategy is one of the largest publicly traded owners of the digital asset and aims to evaluate opportunities to raise additional capital to execute its Bitcoin policy.

MicroStrategy, however, is valued at a market cap of US\$7 billion and an enterprise value of US\$9.6 billion. It is also one of the few companies that has raised capital to accelerate a Bitcoin investment strategy in the last year.

Last week, Saylor disclosed he personally owns 17,732 Bitcoins bought at an average price of US\$9,882, valued at US\$1.1 billion at the time of writing.

How much have Bitcoin investments cost MicroStrategy?

MicroStrategy informed investors the carrying value of its digital assets was US\$2.406 billion at the end of Q3, indicating impairment losses of US\$754.7 million since acquisition and an average Bitcoin cost of US\$21,095. The original costs basis and market value of MicroStrategy's Bitcoin were US\$3.16 billion and US\$4.965 billion, respectively, which suggests the average cost and market price per Bitcoin were US\$27,713 and US\$43,534.56, respectively.

MicroStrategy's management remains bullish on the cryptocurrency and will continue to hold and acquire Bitcoin in the future. It is viewed as a store of value supported by a solid open-source

architecture, making it independent of sovereign monetary policies.

Bitcoin might touch \$100 trillion market cap: Saylor

In an [interview with CNBC](#) earlier this year, Michael Saylor reiterated his bullish sentiment on Bitcoin and emphasized the digital asset might be valued in a market cap of US\$100 trillion. According to Saylor, Bitcoin has the potential to become a “stabilizing influence” for financial systems worldwide, driven by widespread adoption in the upcoming decade.

Saylor explained, “There’s a \$500 trillion monetary planet and the outer layer is currency, then you’ve got stocks, bonds, real estate. There’s \$10 trillion worth of gold in there, \$1 trillion of Bitcoin in there. Bitcoin is going to flip gold, and it’s going to subsume the entire gold market cap.”

While Saylor is extremely bullish on the future of Bitcoin, financial regulators are worried about the high volatility associated with the crypto space, which might result in massive losses for investors in just a few trading sessions.

Bitcoin prices [have risen by more than 8,500%](#) in the last five years, valuing the cryptocurrency at a market cap of US\$1.15 trillion right now. The demand for Bitcoin has been driven higher by both retail and institutional investments, and this trend is expected to continue going forward.

There is a good chance for Bitcoin to be owned by a billion investors by the end of 2030, given its popularity as a store of value and its dominance in the crypto space.

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Date

2025/07/21

Date Created

2021/11/01

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