



Shocking Stats About Bitcoin's Market Cap

Description

The Bitcoin bull is running wild yet again.

After a rough 2018, Bitcoin has resumed the incredible run it began a year prior, and while 2017's high of \$20,000 is not yet in sight, we're [not too far off either](#). Bitcoin fans had been speculating for years that the coin would reach insane valuations like \$50,000, \$100,000 or even a million. With the price action we're seeing now, it wouldn't be hard to believe.

But before you jump on the "Bitcoin to a million" bandwagon, there are a few sobering realities to keep in mind. While Bitcoin has undeniable momentum, some of the higher price targets result in consequences that defy reality. To illustrate that point, here are three shocking statistics about Bitcoin's market capitalization.

At Sunday's prices, it was higher than the market cap of Canada's biggest bank

On Sunday, Bitcoin was trading at around \$10,000 USD. At that price, it has a market cap of \$190 billion, larger than [Canada's biggest bank](#), **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)). Royal Bank is a company that does over \$40 billion in annual revenue with over \$660 billion in assets under management.

With this level of revenue and assets, the company has been valued at \$150 billion in *Canadian dollars*. Bitcoin is worth over \$50 billion more than that at Sunday's prices. To put that in perspective, Royal Bank would need to rise by one third of its current market cap to be worth what Bitcoin is worth now.

We're talking about a bank with 16 million clients and 80,000 employees worldwide that manages a huge percentage of Canada's retail and commercial banking. Taking speculative activity out of the equation, Bitcoin transaction volume would be nowhere near what RBC processes: according to a 2018 study, only 33% of Bitcoin transactions are related to actual purchases.

At \$100,000, it would be worth more than *any* publicly traded company

Bitcoin being worth more than any Canadian company is already a feat in itself. But that's nothing. At the \$100,000 target price that some bulls have given Bitcoin, it would be worth \$1.6 trillion—more than double the market cap of any publicly traded company in the world.

At current market prices, **Amazon.com** is worth a total of \$940 billion. Bitcoin at \$100,000 and 16 million total coins would be worth 70% more than that.

At \$1,000,000, its value would equal the current GDP of the United States

According to recent estimates, the annual GDP of the entire United States economy is \$21 trillion, which means that the total value of all the goods produced in the U.S. in a given year is a trillion dollars *21 times over*.

At the current number of coins released, Bitcoin at \$1,000,000 would be just a few trillion short of that. However, when it hits that price, it could be worth about the same.

Bitcoins are constantly being mined, which means that more of them are released every year. By 2040, all Bitcoins that can be mined will be released: the amount will total 21 million. At that point, a \$1,000,000 Bitcoin would get us to a \$21 trillion market cap, which is equal to all the goods produced in the U.S. in the current year.

Of course, that wouldn't happen until 2040 at the earliest. After that much inflation, \$21 trillion may not be quite the mind-blowing sum that it is now, but it does help to put some of the dizzying valuations that BTC bulls are gunning for in perspective.

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Author

andrewbutton

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