

# Bitcoin (BTC)

## Investing in digital currencies

Bitcoin is the first and best-known cryptocurrency, and the largest in terms of market capitalisation. It functions as a decentralised, digital means of payment, is based on blockchain technology, and serves as both a store of value and as an alternative financial system.

### History

Bitcoin was launched in 2009 by an individual or group under the pseudonym Satoshi Nakamoto. The goal was to create an electronic payments system which operates without the need for centralised controls or intermediaries such as banks. Since its creation, Bitcoin has established itself as the leading cryptocurrency, supported by a global community of users and developers.

### Technology

Bitcoin is based on decentralised blockchain technology, which is a public database that records all transactions. The security of the network is maintained through a proof-of-work (PoW) consensus mechanism. In this system, “miners” with specialised computers compete to solve complex mathematical problems as quickly as possible. The first miner to solve the problem earns the right to validate the next block on the blockchain and is rewarded with newly created bitcoins. This process ensures the integrity of the network and generates new bitcoins.

### Special features

#### Decentralisation

Bitcoin operates without a central authority, relying instead on a global network of users.



Name:	Bitcoin
Securities number:	18789.194
ISIN:	XTV15WLZJMF0
Abbreviation:	BTC

### Limited supply

Its supply is capped at a maximum of 21 million bitcoins, a feature designed to counteract inflation of this cryptocurrency over time.

### Pseudonymity

Bitcoin transactions are pseudonymised, meaning they are not directly linked to real-world identities but remain publicly traceable.

### Use cases

#### Store of value

Bitcoin is often described as “digital gold”, serving as a hedge against inflation and economic uncertainty.

#### Means of payment

Bitcoin can be used to pay for goods and services, both online and in some physical stores. Its role as a means of payment is somewhat limited, however, primarily because of its volatility and the low level of acceptance among merchants and service providers.

#### Investment object

Users invest in Bitcoin with the aim of benefiting from the growing acceptance and adoption of cryptocurrencies, anticipating a corresponding increase in its value over time.

## Economic aspects (tokenomics)

New bitcoins are created through the mining process, but the total supply is capped at 21 million. The reward for mining is halved around every four years, which further increases Bitcoin's scarcity.

## Classification

Bitcoin is the first and most well-known cryptocurrency and laid the foundations for the creation of numerous other digital currencies. It is widely regarded as a pioneer of blockchain technology and an alternative financial system. Bitcoin's PoW mechanism is energy-intensive because it requires significant computing power.

## Links

Cryptocurrencies | [zkb.ch/cryptocurrencies](https://zkb.ch/cryptocurrencies)

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