

# Bitcoin Institutional Report



*April 2024*

## Summary and highlights

- As of March 2024, some 2.45m of bitcoin – valued at ~US\$170b – was estimated to be held by large institutions.
- This represents approximately 12% of the maximum 21m supply of bitcoin.
- The three largest active institutional holders are Grayscale Bitcoin Trust, iShares Bitcoin Trust and MicroStrategy.
- The US and Chinese governments and Mt Gox are the three largest inactive bitcoin holders.
- As a category, investment funds were the biggest holders of bitcoin among large institutions, at 40% of total institutional holdings.
- The amount of bitcoin held by large institutions is expected to grow significantly in 2024 and beyond, with the growth of bitcoin ETFs providing strong tailwinds to this new asset class.

### About the report

*The Bitcoin Institutional Report is a quarterly report covering the adoption and holdings of bitcoin by large institutions – including public and private companies, governments, and investment funds.*

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## Introduction

Since its inception on 3 January 2009, bitcoin has gone through several market cycles. Each has been driven by different narratives that have converted market participants to become believers in this revolutionary financial innovation.

But the last 15 years have, despite the fluctuations, driven bitcoin's price ever higher. As of the writing of this report, bitcoin had recently reached an all-time high of ~US\$73,500.

The latest cycle that we are in, starting with the bottoming of prices below \$20,000 in November 2022, has in part been driven by far greater institutional demand for bitcoin. The approval of bitcoin ETF products by the SEC in the US has been the most positive sign for institutional adoption of bitcoin as a potential store of value and legitimate investment class in its own right.

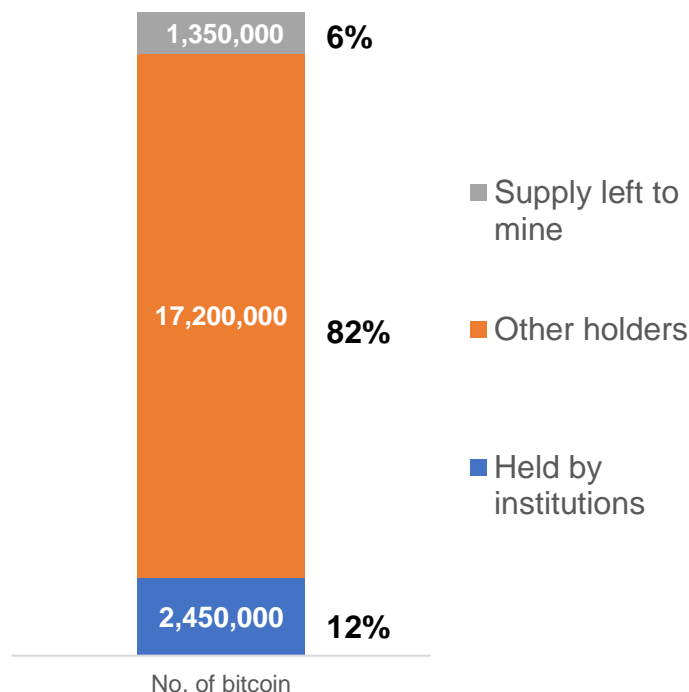
This inaugural report provides an overview of the largest institutional holders of bitcoin based on currently available public information.

## Institutional holdings of bitcoin

As of March 2024, some 2.45m of bitcoin was estimated to be held by large institutions. This represents approximately 12.5% of the currently available supply and 12% of the maximum 21m supply of bitcoin. In USD terms, about \$170b worth of bitcoin is held by these institutions based on the current bitcoin price (~\$68,000).

This dollar amount is dwarfed by traditional asset classes – equities, bonds, real estate, private capital and infrastructure – that are in the trillions of dollars and are the bedrock of institutional portfolios. However, we are still in the early days of institutional involvement in the digital asset/crypto/web3 space and it's very likely that the \$170b figure will grow exponentially in coming years.

### Bitcoin supply



## Top ten holders

The list of top ten institutional holders of bitcoin provides a snapshot of the general makeup of large institutional bitcoin holders. These top ten institutions collective hold just under 1.9m of bitcoin, or three quarters of the total held by all large institutions.

<i>Rank</i>	<i>Name</i>	<i>Type</i>	<i>BTC held</i>	<i>Status</i>
1	Grayscale Bitcoin Trust	Fund	340,000	Active
2	iShares Bitcoin Trust	Fund	252,000	Active
3	United States	Government	215,000	Inactive
4	MicroStrategy, Inc.	Public company	214,000	Active
5	China	Government	190,000	Inactive
6	Block.one	Private company	164,000	Active
7	Wrapped BTC	Secondary protocol	155,961	Active
8	Fidelity Wise Origin Bitcoin Fund	Fund	144,000	Active
9	Mt Gox	Private company	141,686	Inactive
10	Tether Holdings	Private company	75,345	Active

The top ten holders list is composed of three funds, three private companies, two governments, one secondary protocol (although the tenth largest holder, the Tether stablecoin, could also be classified as a secondary protocol) and one public company: MicroStrategy.

Of note is the status of some of these institutions which hold very large numbers of bitcoin. Within the top ten, three entities are inactive in terms of their acquisition of bitcoin (as far as we know) – those three being:

- The US government – acquired bitcoin through the seizure of assets related to the Silk Road in 2013.
- The Chinese government – similarly seized bitcoin in 2020 in a crackdown on the PlusToken ponzi scheme.
- Mt Gox – bitcoin held as part of the bankruptcy proceedings of the defunct exchange.

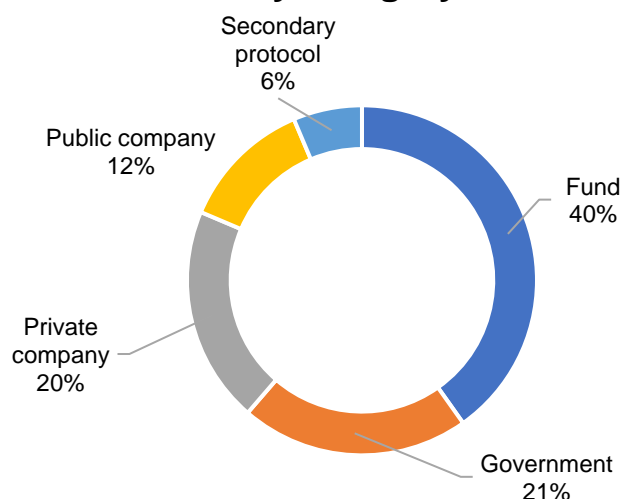
## Holdings of bitcoin by category

Investment funds hold the largest proportion of bitcoin among large institutions, at just under 1m bitcoin or 40% of total institutional holdings. This proportion is likely to increase as more inflows come through to bitcoin ETFs in the future.

Governments are the next biggest holders at 21%, followed by private companies with 20% of all large institutional holdings. Public companies and secondary protocols rounded out the figures, at 12% and 6% respectively.

A deeper look into each of these categories – including a list of top five holding entities for each – is provided below.

### Percentage of total institutional holdings by category



**Funds:** The adoption of bitcoin by institutional fund managers has been significant, driven largely by the recent approval and launch of bitcoin ETFs in the US. As a result, investment funds account for almost 40% of all institutional holdings of bitcoin.

<i>Rank</i>	<i>Name</i>	<i>BTC held</i>	<i>Status</i>
1	Grayscale Bitcoin Trust	340,000	Active
2	iShares Bitcoin Trust	252,000	Active
3	Fidelity Wise Origin Bitcoin Fund	144,000	Active
4	ARK 21Shares Bitcoin ETF	44,000	Active
5	Bitwise Bitcoin ETF	31,000	Active

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### **Notable holder: Grayscale Bitcoin Trust**

*The Grayscale Bitcoin Trust takes out the top spot among institutional holders. The trust was set up in 2013, one of the earliest collective investment vehicles for bitcoin in the world. As of March 2024, Grayscale’s bitcoin fund has seen outflows from investors that are seeking cheaper alternatives – including to newly established bitcoin ETFs – to get investment exposure to bitcoin.*

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**Governments:** With the odd exception, government holdings of bitcoin have mostly come about through the seizure or confiscation of digital assets by law enforcement. The four largest government holders of bitcoin – the US, China, the UK, and Germany – seized over half a million bitcoin from illegal activities based on publicly available information.

El Salvador, under the presidency of Nayib Bukele, has actively bought 5,692 bitcoin in the market. This is the largest investment in bitcoin by any sovereign government in the world.

There is much speculation online that other governments and central banks are secretly acquiring bitcoin for their own balance sheets. We aren’t likely to know whether these rumours are true any time soon.

<b>Rank</b>	<b>Name</b>	<b>BTC held</b>	<b>Status</b>
1	United States	215,000	Inactive
2	China	190,000	Inactive
3	United Kingdom	61,000	Inactive
4	Germany	50,000	Inactive
5	El Salvador	5,702	Active

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### **Notable holder: El Salvador**

*Under the presidency of Nayib Bukele, El Salvador has bought over 5,000 bitcoin in the market. This is the largest investment in bitcoin by any sovereign government in the world. El Salvador has become a haven for die-hard bitcoiners in recent years. Bitcoin is accepted as a form of currency across the country, and Bukele is also active in promoting bitcoin on social media.*

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**Private companies:** The largest private company holders of bitcoin are a mix of different operators in the digital asset space, from existing and failed exchanges (BitMEX and Mt Gox) and stablecoin reserves (Tether) to banks (Xapo) and investment firms (Block.one – not to be confused with the publicly listed company headed up by Jack Dorsey called Block).

<i>Rank</i>	<i>Name</i>	<i>BTC held</i>	<i>Status</i>
1	Block.one	164,000	Active
2	Mt Gox	141,686	Inactive
3	Tether Holdings Limited	75,000	Active
4	BitMEX	57,672	Active
5	Xapo	38,931	Active

**Public companies:** With the exception of MicroStrategy (see breakout box below for further details), publicly listed companies tend to hold far less bitcoin than other types of entities. Excluding MicroStrategy from the numbers, public companies collectively hold only ~88,000 bitcoin or less than half a percent of the total bitcoin supply.

<i>Rank</i>	<i>Name</i>	<i>BTC held</i>	<i>Status</i>
1	MicroStrategy	214,000	Active
2	Marathon Digital Holdings	16,000	Active
3	Tesla	9,720	Active
4	Coinbase	9,480	Active
5	Hut 8 Mining Corp	9,000	Active

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***Notable holder: MicroStrategy***

*MicroStrategy Inc. (NASDAQ:MSTR) is a publicly listed tech company led by outspoken bitcoin maximalist Michael Saylor. The company has been acquiring bitcoin since August 2020, amassing over 1% of the total bitcoin supply as of late March 2024. In that time, its stock price has seen a more than 10-fold increase.*

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**Secondary protocols:** The development and growth of bitcoin as a decentralised monetary protocol spawned the birth of the crypto industry, including other protocols, blockchains and decentralised applications for finance, art and other use cases. This in turn spurred the case for creating cross-functionality from bitcoin to other blockchains and protocols.

For example, bitcoin can now be used on the Ethereum blockchain by ‘wrapping’ bitcoin into an ERC20 token – this allows for the use of bitcoin across decentralised exchanges and other smart contracts on Ethereum.

<i>Rank</i>	<i>Name</i>	<i>BTC held</i>	<i>Status</i>
1	Wrapped BTC (WBTC)	155,961	Active
2	Tezos (TzBTC)	1,076	Active

### Future outlook

Based on sentiment as of the end of March 2024, the prospects of greater levels of institutional involvement in bitcoin are better than ever.

The introduction of bitcoin ETFs in particular has been a major step in institutionalising bitcoin into a more accepted asset for capital providers on the larger end of the spectrum. Strong flows into these new ETF products since their launch underscores the pent-up demand from institutional investors for bitcoin. This is despite the traditional finance (‘tradfi’) view that it is a highly speculative asset that should be avoided.

There is also much speculation online about which major entities – whether they be corporates, investment funds, or governments – will announce themselves as major holders or buyers of bitcoin.

Will one of the tech giants like Meta announce that they will buy bitcoin as part of its balance sheet management? Will an oil-rich government (or its sovereign wealth fund) use some excess cash to make a strategic investment in the asset?

Given bitcoin’s strong return profile over its lifetime, would pension funds be neglecting their fiduciary duties to their members if they don’t allocate at least a small percentage to bitcoin or other digital assets?

These are all questions that we might get definitive answers to in the next few years.

Despite bitcoin’s humble beginnings, the last 15 years have demonstrated the unprecedented growth of this new form of financial technology. The next 15 years in the bitcoin journey should prove no less exciting and impactful.



Methodology and disclaimers

Data and information for this report was gathered from a number of publicly available sources, including:

<https://bitcointreasuries.net/>

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The author would like to acknowledge the work done to provide up-to-date figures and information on those platforms.

The figures in this report have in some instances been approximated, rounded up, or rounded down due to daily changes in volume. Figures are valid as of 29 March 2024.

This report does not constitute financial advice or a recommendation. It is intended for informational purposes only, and users should seek professional advice before acting on it.