

4 February 2022



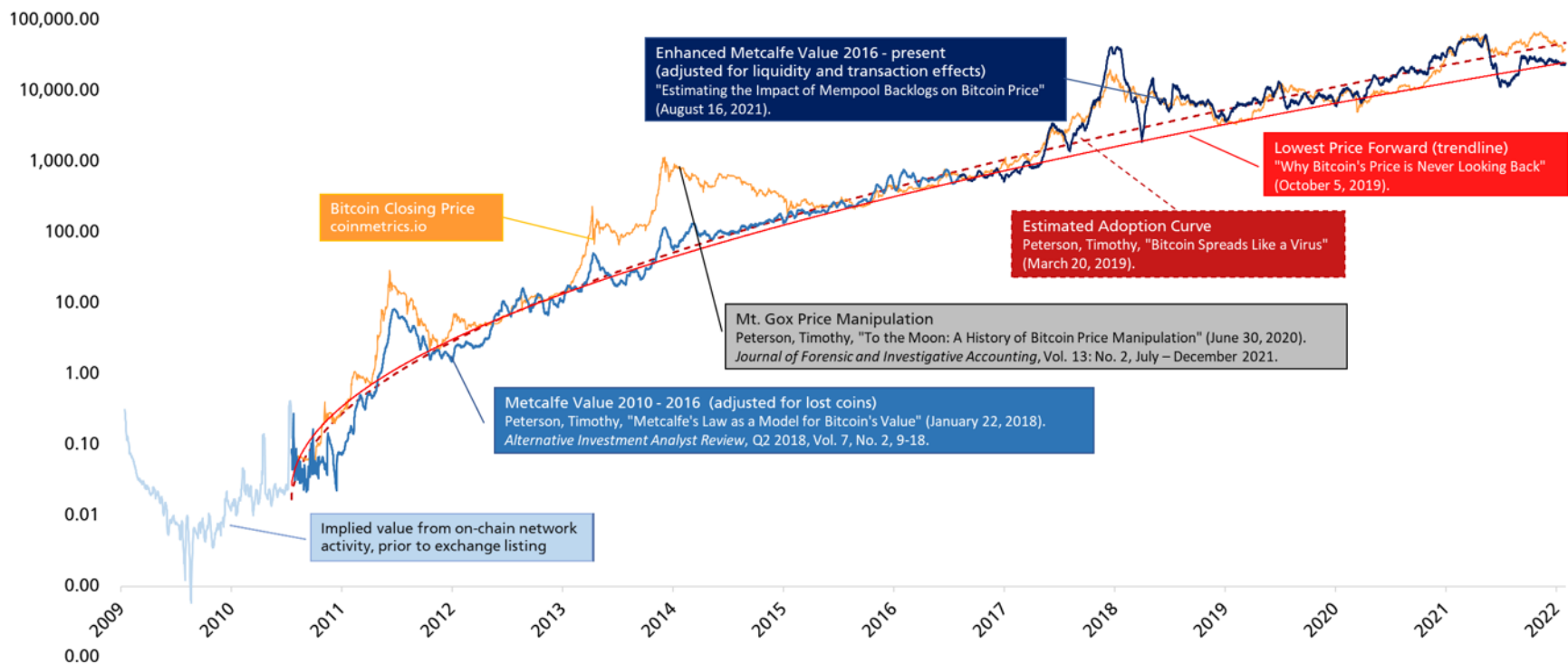
# BITCOIN

VALUATION  
METRICS



# Bitcoin – Valuation Fundamentals

## Bitcoin Price, Network Value, and Adoption Curve



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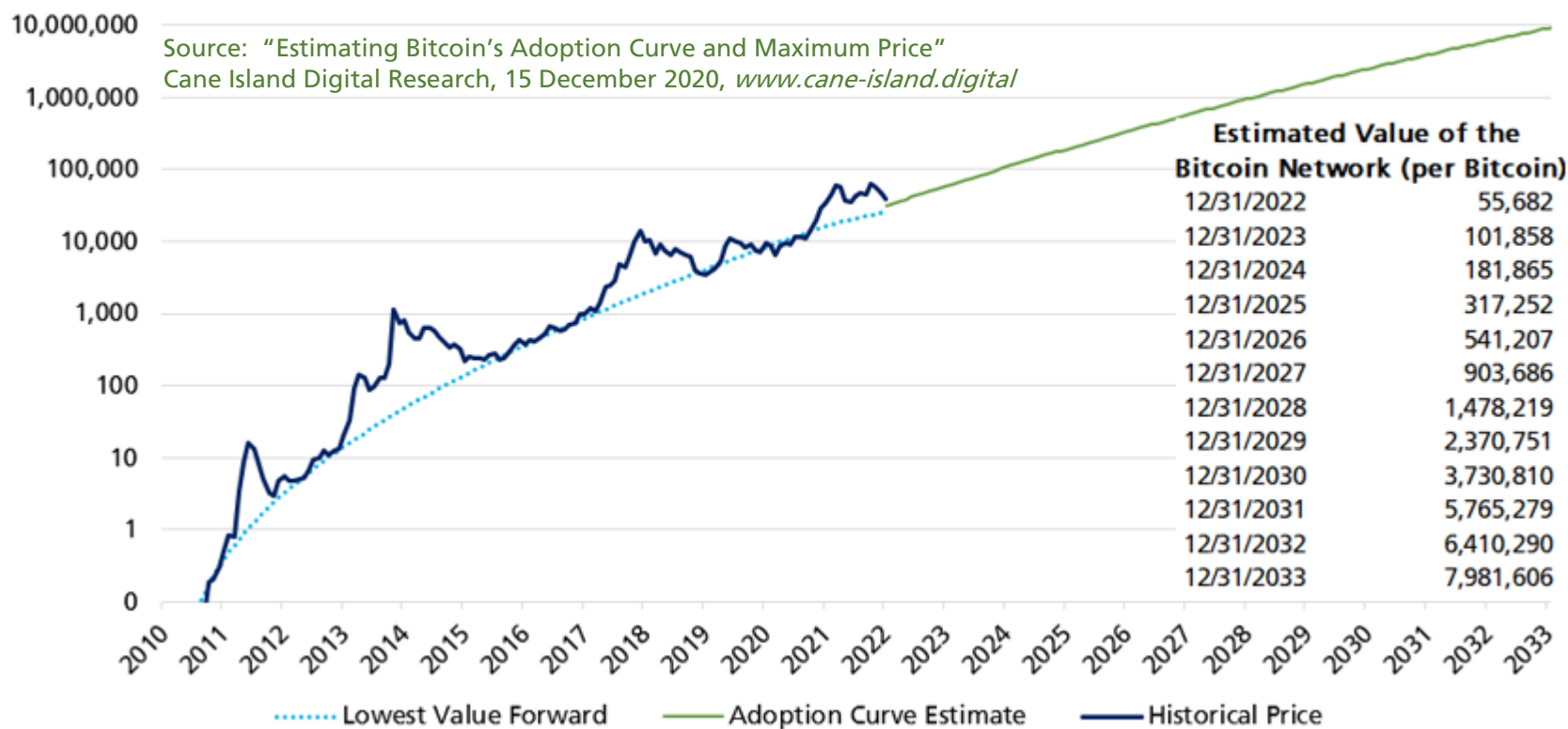
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# Bitcoin – Adoption Drives Long-Term Price

## Bitcoin Price and Metcalfe Value (Trended) from Adoption Rate



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# Bitcoin – Transaction Volume Drives Short-Term Price



## Mempool Size and Bitcoin Price



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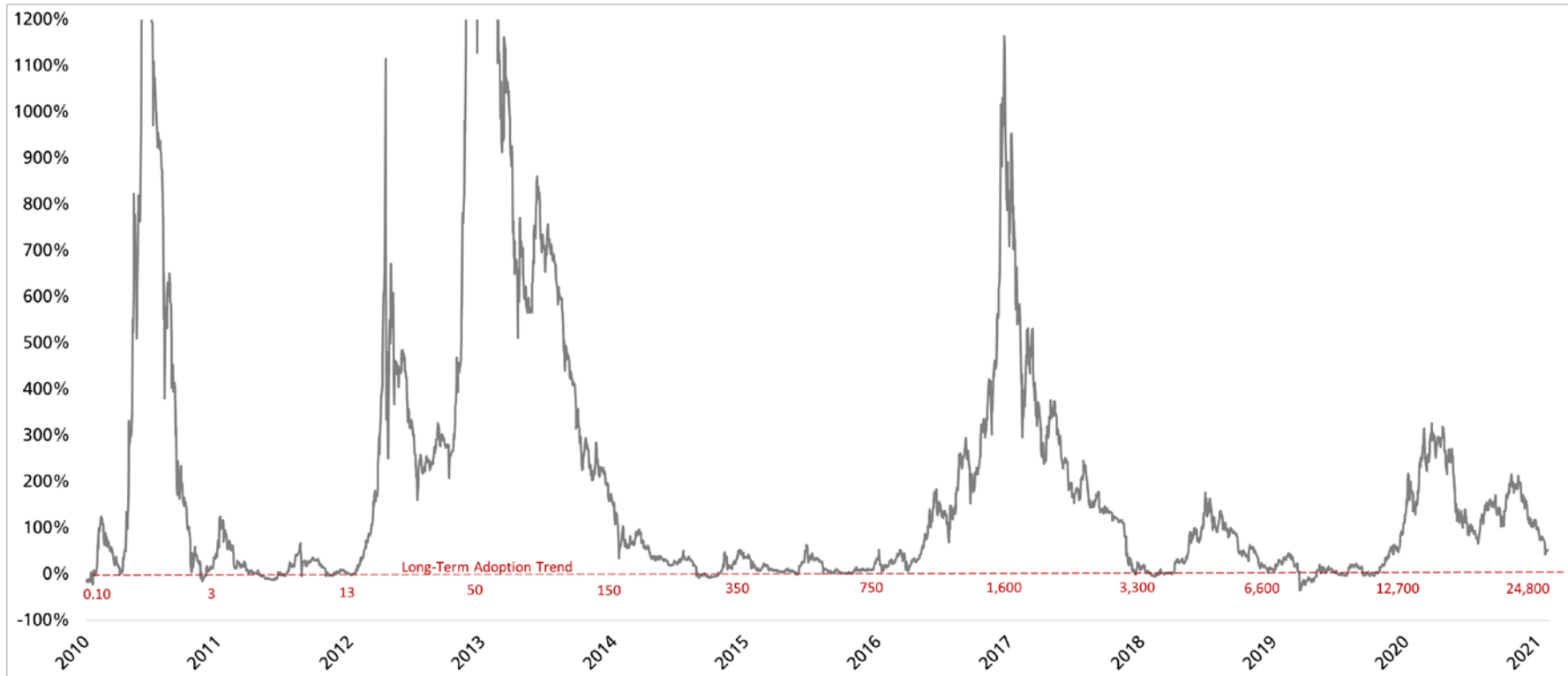
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# Bitcoin – Price to Network Size



## Bitcoin Price and Its Long-Term Estimated Adoption Curve



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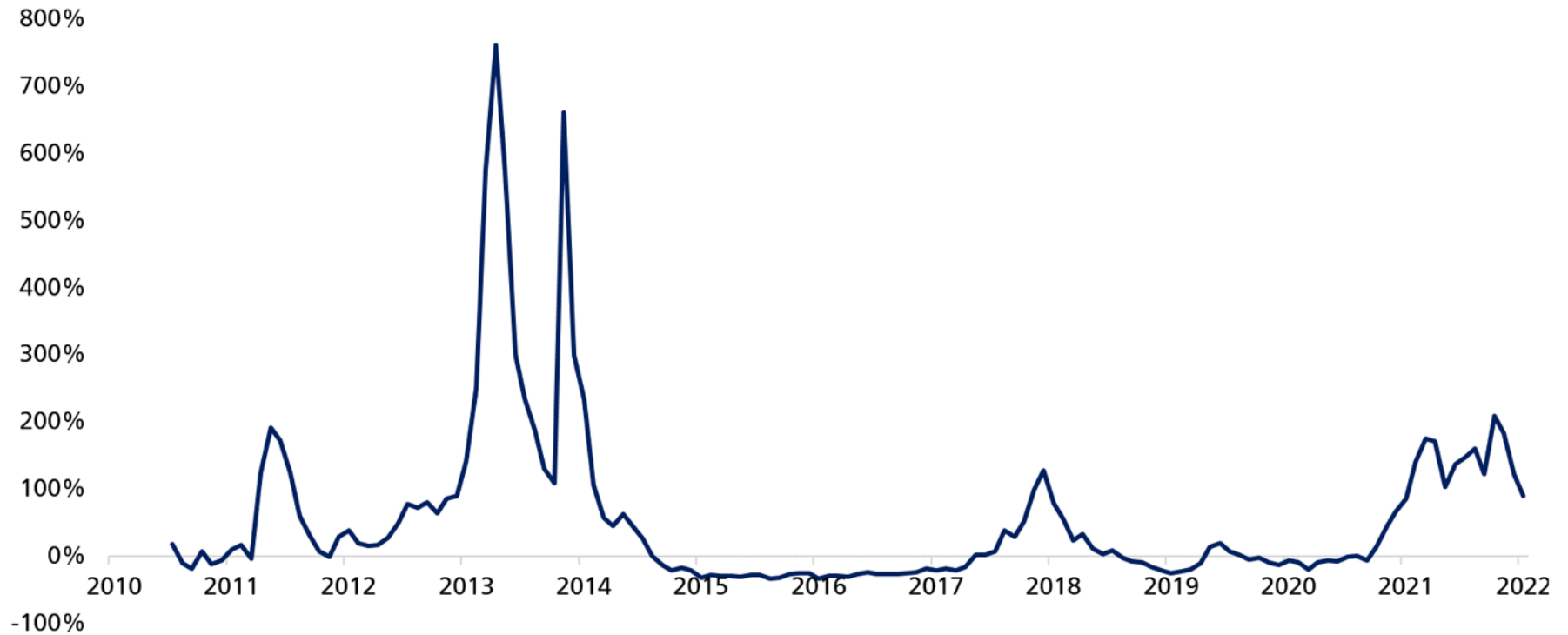
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# Bitcoin – Price to Network Size



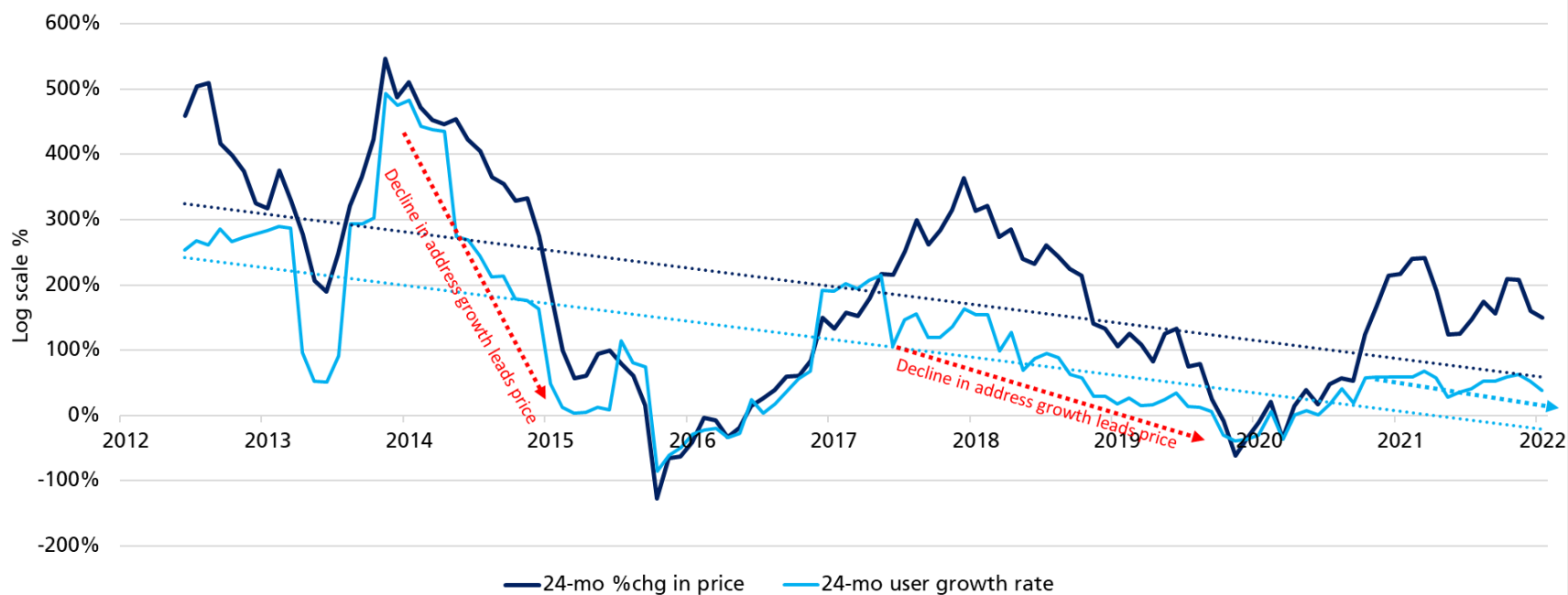
## Bitcoin Price to Hash Rate, Detrended





# Bitcoin – Price to Network Size

## Bitcoin Trailing Return vs. User Growth (Non-zero Addresses)



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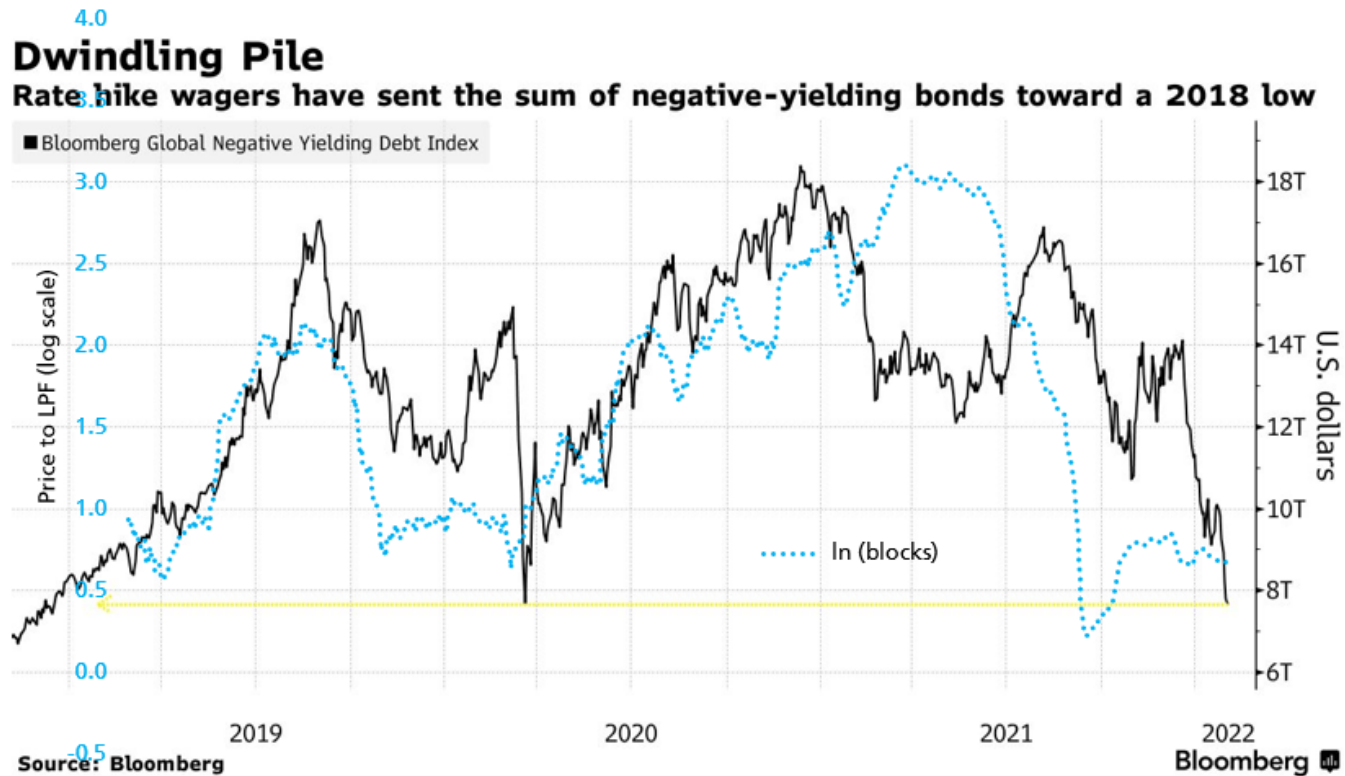
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# Bitcoin – Market Comparisons



Bitcoin Mempool Size (Demand Backlog) and Negative Yielding Debt



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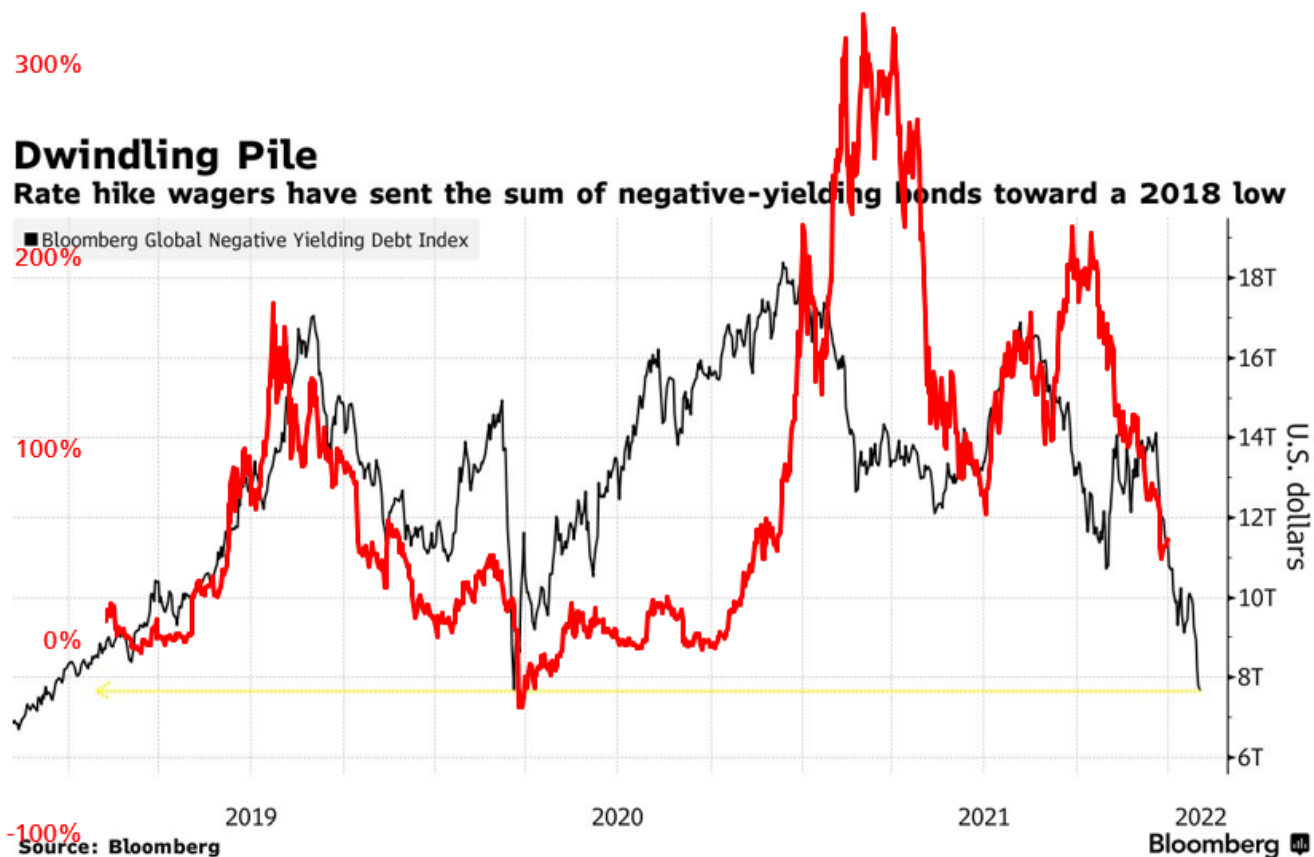
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# Bitcoin – Market Comparisons

## Bitcoin Price to Adoption Value and Negative Yielding Debt



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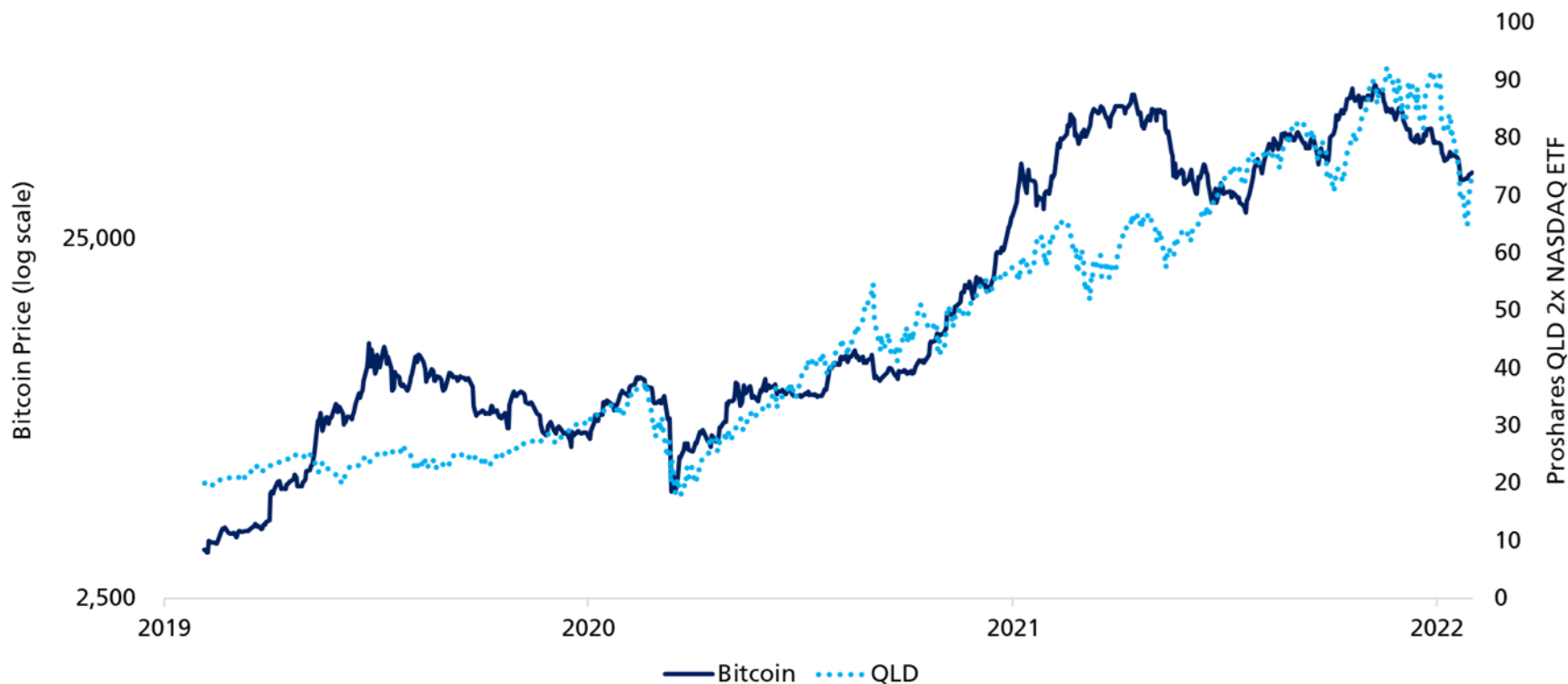
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# Bitcoin – Market Comparisons

Bitcoin (log scale) and 2x Leveraged NASDAQ ETF



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# Bitcoin – Technical Indicators



Bitcoin Price to 200-day Moving Average (Mayer Multiple)



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# Ethereum – Adoption Drives Long-Term Price

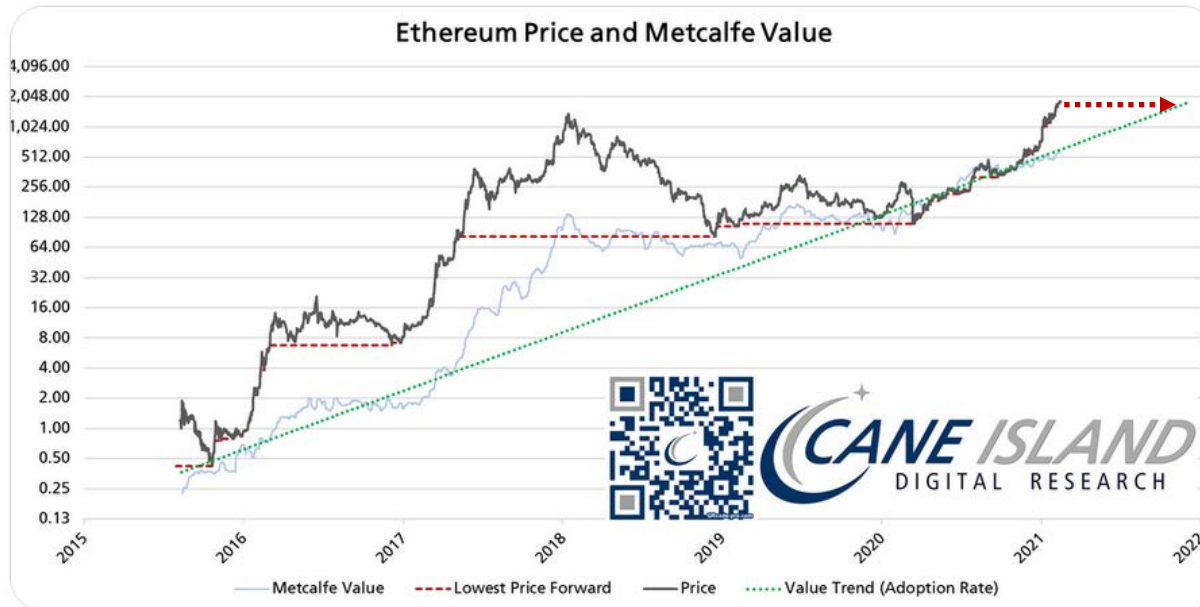
## Metcalfe's Law and Technology Adoption



**Timothy Peterson**  
@nsquaredcrypto



## #Ethereum



5:52 PM · Feb 14, 2021 · Twitter Web App

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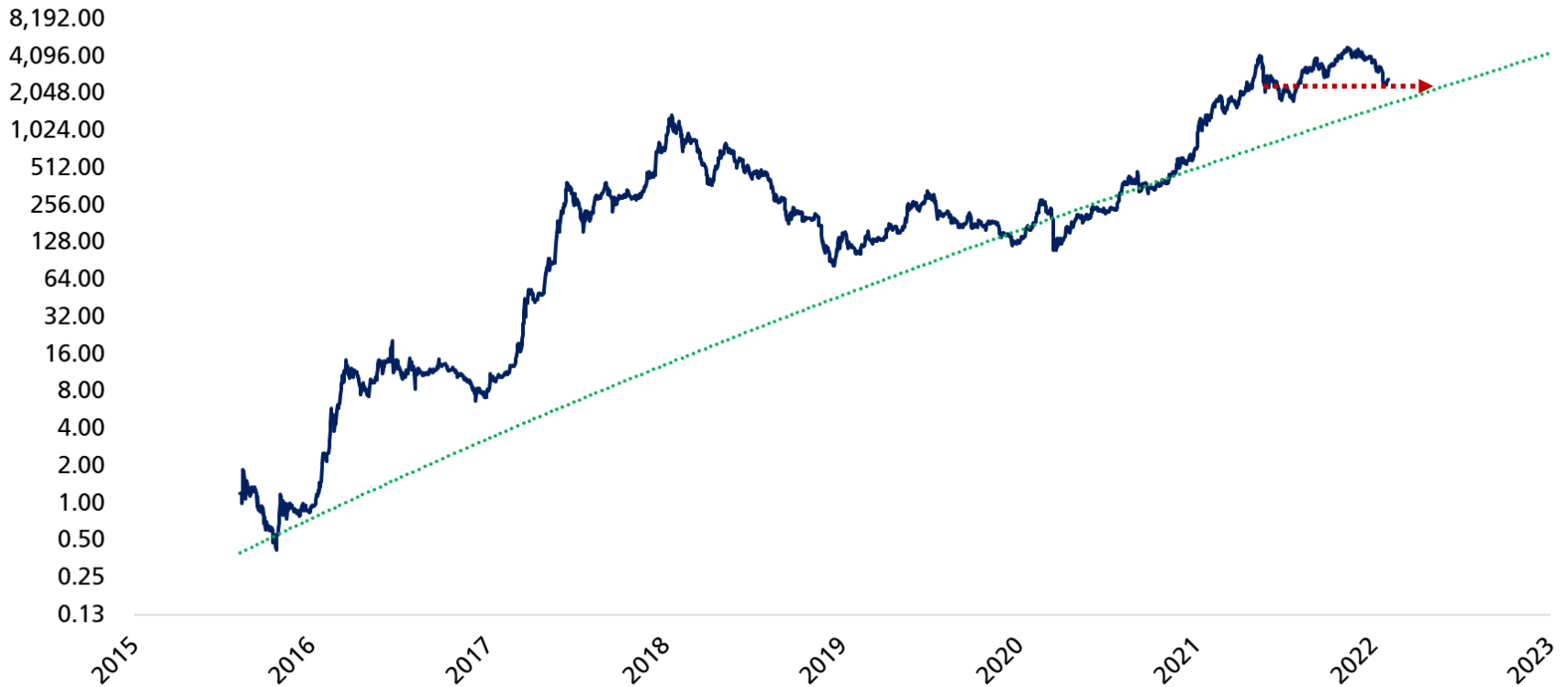
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# Ethereum – Adoption Drives Long-Term Price



## Metcalfe's Law and Technology Adoption

### Ethereum Price and Metcalfe Value Trend



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# Timothy F. Peterson, CFA, CAIA

Timothy is the founder of and portfolio manager for Cane Island Alternative Advisors, which manages a global macro investment strategy. Timothy is an expert on cryptocurrency investment and valuation. His experience includes serving as CFO for a Houston-based financial firm where he had responsibility for co-managing an option-hedged equity strategy.

His 30+ years in investment management include portfolio management, investment strategy evaluation, and investment software design.

Timothy authored the very popular "Metcalf's Law as a Model for Bitcoin's Value," as well as a book "Performance Measurement for Alternative Investments" (Risk Books: 2015). He and has spoken at conferences around the world.

He is a dual graduate of the University of Colorado with a Master of Science Degree in Finance and a Bachelor of Arts degree in Economics. Timothy is a Chartered Financial Analyst and Chartered Alternative Investment Analyst. He works from an office in the Houston, Texas area.



Cane Island Alternative Advisors is located west of Houston in Katy, Texas. In the mid-1800s, Katy was known as Cane Island. Katy is the home of Igloo Corporation, Academy Sports & Outdoors, and is known as the energy executive capital of the world.

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