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Bitcoin as digital gold: Monetary fragility meets allocation shift

Macroeconomic uncertainty, structural skepticism toward the dollar, and the approval of the first spot ETFs have brought Bitcoin increasingly into the focus of institutional investors. Long considered a speculative instrument, it is now increasingly seen as a powerful building block in geopolitically and balance sheet-driven allocations.

Since its creation in 2009 as a response to the global financial crisis, Bitcoin has evolved from a fringe payment experiment into a scarce, censorship-resistant asset with macroeconomic relevance. In times of growing government debt, structural inflation, and geopolitical tensions, Bitcoin is increasingly mentioned in the same breath as gold – as the “digital gold” of the 21st century.

Institutional investors view Bitcoin not so much as a currency, but as a limited, non-governmental reserve asset – with characteristics historically reserved for physical commodities like gold in modern portfolio models. Despite certain parallels, the two asset classes differ fundamentally in liquidity, transportability, market structure, and maturity.

Property	Bitcoin	Gold
Scarcity	Fixed: 21 million	Limited but unknown
Transferability	Global, digital	Restricted
Divisibility	Up to 8 decimal places	Difficult to divide
Verification	Blockchain-based	Local, manual
Transfer time	Minutes	Days to weeks

Bitcoin as a macro-asset in the global capital environment

The digital gold has a much younger history compared to its physical counterpart: Bitcoin’s cycle spans just about 15 years – a fact that highlights its early stage of maturity. However, therein lies its momentum. The digital form allows for exponential adoption across global networks, something that was historically never possible for traditional reserve assets. Digital value preservation is in tune with the times.

The structural challenges of today’s monetary system – persistent inflation, fiscal overextension, and growing doubts about the stability of state-backed currencies – have significantly increased the demand for scarce, non-governmental reserve assets. In this environment, Bitcoin is gaining increasing significance as a functional counterpart to gold: Both are seen as stable hedges against fiat currencies.

In strategic asset allocation, Bitcoin opens up new perspectives: Digital gold combines the scarcity of a commodity with globally available digital infrastructure – enabling wealth to be held and transferred in a decentralized, transparent manner without intermediaries. This novel trust model is gaining strategic importance in an environment of shrinking purchasing power and growing fragility of the financial system.



Treasuries & institutional adoption

The strategic relevance of Bitcoin is no longer evident only in macro narratives, but increasingly in concrete allocations. What started with individual believers like MicroStrategy in 2020 has gradually shifted into institutional structures. CFOs, fund managers, and family offices are increasingly recognizing Bitcoin as a balance-sheetable reserve asset – one that can unite stability, independence, and asymmetric potential in an environment of negative real returns and liquidity floods.

A key catalyst in this development was the approval of the first US spot ETFs in January 2024. With providers like BlackRock, Fidelity, and Franklin Templeton, not only did the managed volume grow rapidly, but regulatory and balance-sheet clarity was also established – a missing factor for many institutional investors. Additionally, the FASB standard, effective from December 2024, allows for fair-value accounting of Bitcoin – a significant advancement over the previous impairment principle.

Wallet analysis: Institutional patterns

In total, the number of institutional actors who view Bitcoin not as a speculation but as a structural portfolio component is growing. Among these actors are publicly listed companies, pension funds, and state-backed investment vehicles.

The institutional presence in the Bitcoin market is increasingly reflected in on-chain distribution: Wallets holding between 1,000 and 10,000 BTC now hold around 23% of the circulating supply. Adding addresses with more than 10,000 BTC, nearly one-third of all coins are concentrated in fewer than 2,100 wallets – a clear indication of ETF structures, corporate reserves, and fund allocations.

Since early 2024, the number of these wealthy wallets has notably increased – a clear signal of institutional entry into the market. In contrast, over 96% of all addresses hold less than 1 BTC, but they account for only around 7% of the total volume. The distribution clearly shows: Bitcoin is no longer

primarily held by individual actors, but increasingly by long-term, institutional owners.

Balance, BTC	Addresses	% Addresses (Total)	BTC	USD	% BTC (Total)
(0 - 0.00001)	6397212	11.61% (100%)	37.02 BTC	\$3,489,070	0% (100%)
[0.00001 - 0.0001)	11362118	20.63% (88.39%)	477.11 BTC	\$44,965,501	0% (100%)
[0.0001 - 0.001)	13386250	24.3% (67.76%)	5,044 BTC	\$475,377,625	0.03% (100%)
[0.001 - 0.01)	11547018	20.96% (43.46%)	42,451 BTC	\$4,000,845,339	0.21% (99.97%)
[0.01 - 0.1)	7918728	14.37% (22.5%)	268,019 BTC	\$25,259,524,805	1.35% (99.76%)
[0.1 - 1)	3483828	6.32% (8.13%)	1,073,930 BTC	\$101,212,602,645	5.41% (98.41%)
[1 - 10)	841278	1.53% (1.8%)	2,089,427 BTC	\$196,918,289,729	10.52% (93%)
[10 - 100)	133885	0.24% (0.28%)	4,307,079 BTC	\$405,921,123,836	21.69% (82.48%)
[100 - 1,000)	15995	0.03% (0.03%)	4,635,202 BTC	\$436,845,136,354	23.34% (60.79%)
[1,000 - 10,000)	2009	0% (0%)	4,548,788 BTC	\$428,701,033,700	22.91% (37.45%)
[10,000 - 100,000)	89	0% (0%)	2,224,762 BTC	\$209,672,927,470	11.2% (14.54%)
[100,000 - 1,000,000)	4	0% (0%)	662,463 BTC	\$62,433,913,534	3.34% (3.34%)

Figure 1: Bitcoin distribution by wallet size / Source: bitinfocharts.com

Conclusion & outlook

The structural embedding of Bitcoin in the institutional investment universe is no longer a theoretical debate, but a reality that can be verified both on-chain and in balance sheets. The large US spot ETFs alone now manage over 1 million BTC. Strategy (formerly MicroStrategy), as a pioneer among a growing number of companies strategically adding Bitcoin to their balance sheets, holds over 550,000 BTC. This is a clear signal of the shift towards corporate reserve and allocation logic.

Whether as a balance-sheet buffer, geopolitical hedge, or liquid, censorship-resistant store of value – Bitcoin is on its way to permanently establishing itself as a strategic component of the global capital architecture by 2025.

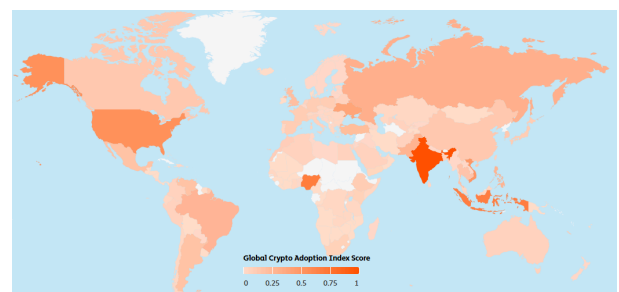


Figure 2: Crypto Adoption Index by region / Source: [Chainalysis](https://chainalysis.com)

Parallel to structural adoption by institutional and state actors, geographic distribution is also progressing. In North America, Bitcoin ownership is already in the double digits percentage-wise, and in



South America, it is significantly above the global average. Europe, Asia, and Oceania are catching up – Africa remains underrepresented for now, but holds long-term potential.

In the context of the technological adoption cycle, Bitcoin is still in the early phase of the S-curve: Institutional first movers and strategically thinking states are building positions, while broad user bases and a large portion of the potential investor base are still to come. However, by early 2025, around 106 million people worldwide will own Bitcoin – a significant increase over previous years, showing that scaling has already accelerated, even though it is often not directly visible on-chain. The spread follows a familiar pattern: Only when regulatory clarity, infrastructure integration, and price narratives align will it unleash its full exponential potential.

In relation to the global gold market capitalization of about \$22 trillion, Bitcoin, currently at around \$1.9 trillion, remains underrepresented. But in an increasingly digital world, it is plausible that Bitcoin will soon take a significantly larger share of this ratio – driven by growing user adoption, institutional allocation, and structural demand, all of which are now converging for the first time. The critical question is not whether one is too late – but whether one can recognize the structural shift in time.



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