
Rating Report

BTC - Bitcoin

Q4 2024

Free report

Disclaimer. This report is not financial advice and it is made voluntary by our team.
COIN4RATING is not responsible for any error included in this report.

Issued by

c4r

The purpose of this report is to gather all the important characteristics of the cryptocurrency or token. The report is performed in the following order:

1. Basic information
2. Analysis
3. Conclusion

Note that the result of this report should be interpreted as an independent analysis, not as a signal to buy or sell an asset. Please, always DYOR.

1. Basic information

BTC (Bitcoin) is the first and most well-known cryptocurrency, created by the pseudonymous Satoshi Nakamoto in 2009. Its primary purposes are:

- **Store of Value.** Often referred to as "digital gold," Bitcoin serves as a decentralized asset that can preserve and potentially appreciate in value over time.
- **Peer-to-Peer Transactions.** Enables direct financial transfers between individuals without intermediary banks or financial institutions, allowing for borderless transactions.
- **Hedge Against Inflation.** Designed with a fixed supply of 21 million coins, Bitcoin acts as a potential protection against traditional currency inflation, attracting investors seeking a deflationary asset.
- **Financial Sovereignty.** Provides individuals with complete control over their assets, independent of government or institutional control, empowering users with direct ownership and management of their financial resources.

The coin has transformed from an experimental digital currency to a significant financial asset, recognized globally as a pioneering blockchain technology that sparked the entire cryptocurrency and decentralized finance movement.

2. Analysis

In the following tables we will show the different areas researched, such as tech, strategy and economy.

BTC							
Tech	Type	Cryptocurrency		Token		Others	
	Layer	0	1	2	3	Others	
	Blockchain	Ethereum	Cosmos	Solana	BNB Chain	Others	
	Category	Utility	Security	Stable	Meme	Others	
	Consensus	PoW	PoS	PoA	PoB	Others	
	ISO	Yes			No		
	Bug Bounty	Yes			No		
	Audits	Yes			No		
	Auto Audit ⁽¹⁾	0	1	2	3	4	5

*(1) The auto audit score is performed by 6 different digital audits: Certik Skynet, Quick Intel, Go Plus, Honeybot, Token Sniffer and StaySAFU through the DEXTools app

On the one hand, the tech block shows that BTC is a layer 1 cryptocurrency with a Proof of Work consensus protocol. This makes it pioneering, foundational, and secure, thanks to its robust blockchain architecture and being hosted on its own native Bitcoin blockchain. However, the cryptocurrency lacks ISO certification, which is consistent with its decentralized origins.

Bitcoin does not maintain an official public team, roadmap, or centralized social media presence, nor does it have a bug bounty program. All development and community engagement are driven collaboratively by its global network of developers and enthusiasts. While this approach embodies the core principle of decentralization, it is worth noting that approximately 1.1 million BTC remain in the wallet associated with Satoshi Nakamoto. This concentration of funds suggests that the concept of decentralization, while fundamental to Bitcoin's philosophy, is not absolute in practice.

BTC							
Strategy	Governance	Centralized		Decentralized		Others	
	Open Source	Yes			No		
	Roadmap	Yes			No		
	Partnerships	Yes			No		
	Public Team	Yes			No		
	Social media	Abandoned		Active		Others	
	CAPED ⁽²⁾	0	1	2	3	4	5

⁽²⁾ The CAPED score is an analysis of capitalization, trader's activity, price performance, development and engagement. This analysis was deployed initially by the Alpha Intelligence team of Hacken

On the other hand, with regard to the strategy block, being the first and most established cryptocurrency project, it demonstrates strong market presence. Bitcoin operates with a form of centralized governance in practice, despite its decentralized ideals. Major decisions, such as protocol upgrades, are often influenced by a small group of core developers and mining pools, which can lead to debates about true decentralization in governance.

Additionally, Bitcoin's codebase is open source, allowing anyone to review, contribute, or fork the project, though the core development is managed by a select group of maintainers.

BTC							
Economy	Supply	Limited			Infinite		
	Burn	Yes			No		
	Collateral	Yes			No		
	Buybacks	Yes			No		
	Tokenomics ⁽³⁾	0	1	2	3	4	5

⁽³⁾ The tokenomics score is performed by COIN4RATING considering factors as supply, burn mechanism, distribution, vesting and possibility of staking/liquidity pools

Finally, let's look at the token economy. With a limited supply capped at 21 million coins, Bitcoin represents a deflationary model. A key mechanism supporting this deflationary approach is the halving system, where the block reward for mining is systematically reduced by half approximately every four years. This controlled supply reduction creates a predictable scarcity mechanism that helps maintain the cryptocurrency's value proposition.

Although Bitcoin lacks a formal burn mechanism, collateral, or a buyback program, its tokenomics, particularly the halving system, have been instrumental in establishing it as a benchmark in the cryptocurrency ecosystem, resulting in a high average value in our economic assessment.

Overall, the analysis has been carried out satisfactorily.

3. Conclusion

The report provides a comprehensive yet concise analysis of the project's key characteristics. After thorough investigation, we confidently assess the project's performance as achieving the following rating:



(*) Note: Rating is from AAA+ to C- scoring.

QR verification:

