



# Investor Study

# Report 2024

The state of play in the  
Australian cryptocurrency market

# Table of Contents

Foreword: A note from our CEO .....	3
Trading trends: Rebound in activity signals recovery .....	5
Non-retail and SMSFs outpace retail deposits .....	9
Deep dive into demographic trends .....	12
Female investors ‘closing the gap’ .....	13
Crypto by age: Who’s leading the market? .....	15
Closing remarks: Key trends to watch .....	17
Methodology .....	20



## Foreword

# A note from our CEO

## Crypto rising: year in review

The recent crypto winter (also known as a bear market) finally started to thaw in October 2023, with Bitcoin surging more than 173%<sup>1</sup> to reach a new all-time high in 2024. Bitcoin not only outperformed all major asset classes in 2023<sup>2</sup>, but also recorded its strongest annual gains in three years, growing by US\$25,757 compared to US\$21,730 in 2020<sup>3</sup>.

Several factors drove this price rally, including anticipation of the launch of multiple spot Bitcoin exchange traded funds (ETFs) in January 2024. The approval by the US Securities and Exchange Commission (SEC) set a global precedent, positioning crypto as accessible to a broader investor base.

Around the world, major financial players like BlackRock and Fidelity, now offer spot crypto ETFs with record inflows exceeding US\$19.3 billion<sup>4</sup>. Adding positive pressure to the market and opening the door to significant institutional investments.

This year, the crypto market continues to demonstrate remarkable resilience. Bitcoin's impressive year-to-date gain of US\$21,825<sup>5</sup>, reflects growing investor confidence in this emerging asset class.

More broadly, global institutions such as

JP Morgan, Citibank and Goldman Sachs are adopting blockchain technology in a progressive shift towards on-chain financial services. This trend is mirrored by local players like BTC Markets, and we are proud to be at the forefront of innovation.

The evolution of the crypto industry reminds me of the early days of the internet, with initial excitement followed by transformative growth and maturation.

## Why Australia must act now

Here in Australia, I'm seeing a strong sense of confidence in the crypto market.

Our data reveals Australians continue to trade in the most popular cryptocurrencies of the past five years – such as Bitcoin (BTC), Ethereum (ETH) and XRP. Stablecoins, crucial to the digital asset ecosystem, have also gained prominence.

Despite this momentum, there remains a lack of legislative action at the national level.

I've travelled extensively across Southeast Asia, Europe, United Arab Emirates (UAE) and the United States (US) this year and met with various industry experts.

In these conversations, Australia was often described as a “non-core market” for international investors, implying we are considered irrelevant in this space.

# 173%

Bitcoin surged  
in 2023

Australia's regulatory environment, while ensuring stability, hinders innovation and rapid growth in cryptocurrency.

Additionally, our tech sector, though growing, lacks the global prominence of major innovation hubs like Silicon Valley, or Singapore as Asia's technology hub, limiting its influence in the broader cryptocurrency ecosystem.

Despite the enthusiasm of Australian investors in the crypto space, the absence of a supportive regulatory framework is holding us back.

To secure Australia's future in this dynamic industry, decisive action is needed. We must establish regulations that foster innovation while protecting consumers. By doing so, we can unlock the full potential of blockchain technology and solidify our position in the global financial ecosystem.

## About the report

This is the third edition of the BTC Markets Investor Study Report. As one of Australia's most trusted and established digital asset exchanges, we remain committed to providing valuable insights into local cryptocurrency investors and investment trends.

The latest analysis of our trading data reveals a notable shift. Trading growth is now led by non-retail, followed by sole traders, trusts and self-managed super funds (SMSFs) -- instead of the small investors that typified the original crypto boom. This trend highlights a move towards more substantial, long-term investments in the cryptocurrency space.

We also commissioned a survey of over 1,290 Australian adults from our research partner Protocol Theory to discover peoples' motivations for trading cryptocurrencies and

their future intentions for doing so.

The results illustrate that an increasing number of Aussies who don't own crypto are more open to the idea of investing in it, than outright rejecting it.

The results also dispel the notion that older generations and women are not engaging with cryptocurrency. While their wealth accumulation needs are unique, they represent a traditional investment approach being applied to the emerging asset class. These demographics are among those embracing "buy and hold" strategies and using fundamental analysis to do so.

In summary, the latest data underscores a growing sophistication in cryptocurrency investment strategies across all investor types. This reflects a positive shift in the market, highlighting the increasing role of established investors in shaping the future of digital assets.



**Caroline Bowler**

CEO, BTC Markets



# Trading trends

## Rebound in activity signals recovery

To understand long-term trends, we analysed trading data from FY20-21 to FY23-24 to capture the full market cycle – from the bull phase, to bear conditions, prolonged bear conditions and the early recovery phase.

Trading volumes on the BTC Markets platform did rebound notably in FY23-24, increasing by nearly 60%. Average trade value also rose by almost 40% and the average number of daily trades grew modestly by about 15%.

While some pundits suggest Bitcoin's all-time high of A\$111,440 on March 14 signals a bull market, we believe the market is still in its early recovery stage. This is because trading volumes – although improved – have not yet reached the peaks of FY20-21.

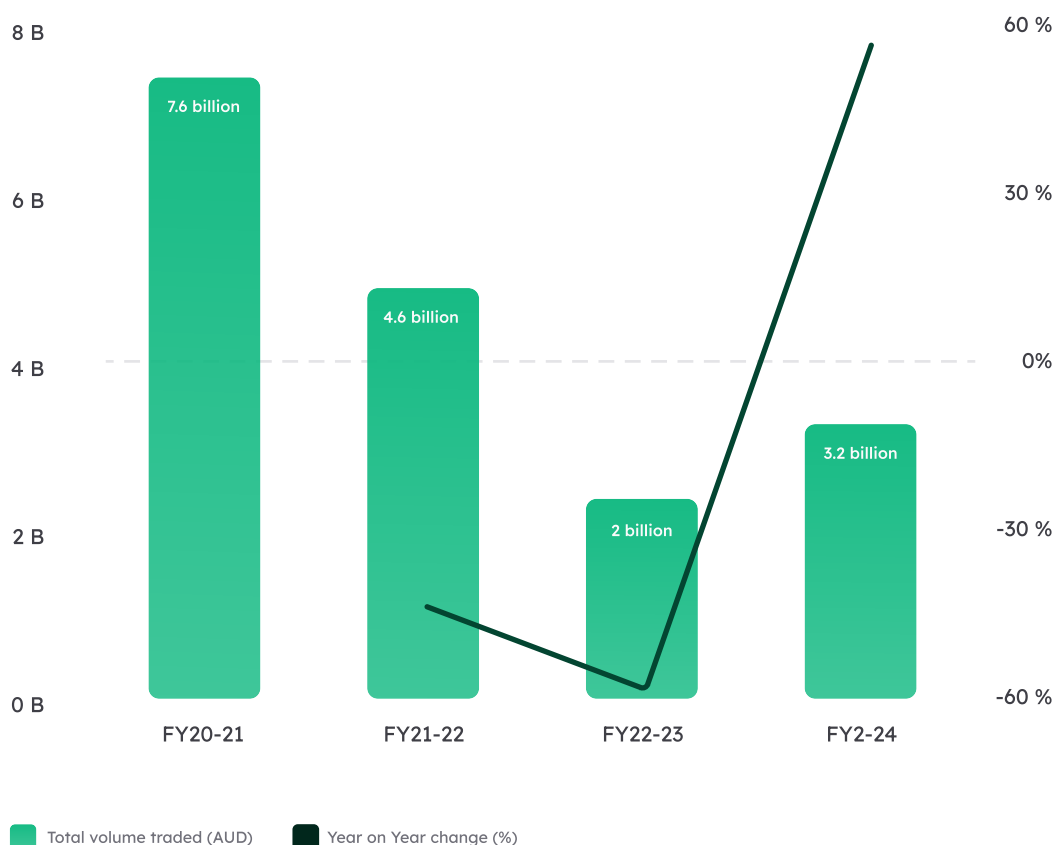
This suggests investors are engaging in higher-value trades but trading less frequently. In essence, they are focused on fewer but larger transactions.

Data indicates a decline in total trading volume, average trades per day, and average trade value over the past two years.

**60%~**

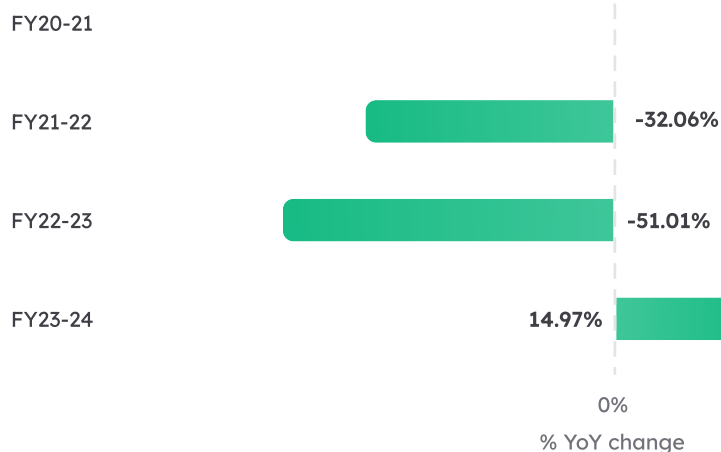
increase in  
average trade  
volumes

Total volume traded

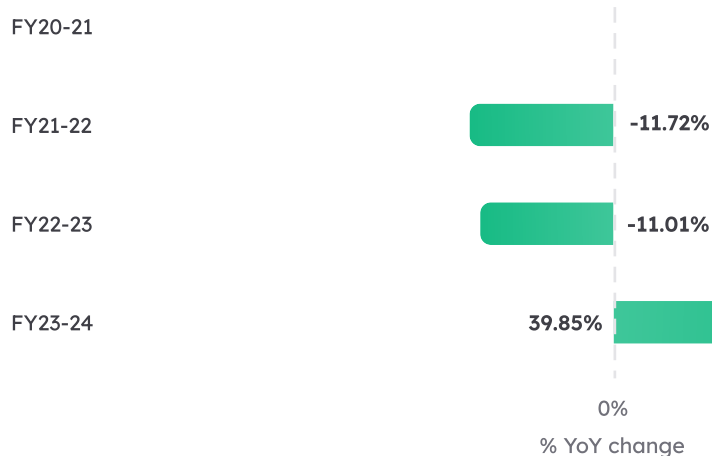




## Average value per trade



## Average value per trade (\$\$)



Several factors contributed to the recovery so far. The approval of spot Bitcoin and Ethereum ETFs by the US regulator reflects growing institutional activity in the cryptocurrency market. Jeff Billingham, director of strategic initiatives at Chainalysis, notes<sup>6</sup> this level of infrastructure and market trust was absent in previous crypto bull runs.

Additionally, persistent global inflation has led market participants to view Bitcoin as a hedge against rising prices. For example, in 2013, 19,127 Bitcoin<sup>7</sup> were required to purchase the average home in the US. Today, you only need seven Bitcoin to buy the median house. This deflationary characteristic is a key reason why people continue to invest in the token.

The fourth Bitcoin halving event in April 2024, took place in a more mature market with a clearer regulatory framework than previous halvings. Historically, Bitcoin trading and prices experience significant increases in the 60 days leading up to a halving, a trend that repeated in March this year. However, the deflationary mechanism inherent in halving events generally exerts long-term upward pressure on Bitcoin's price.

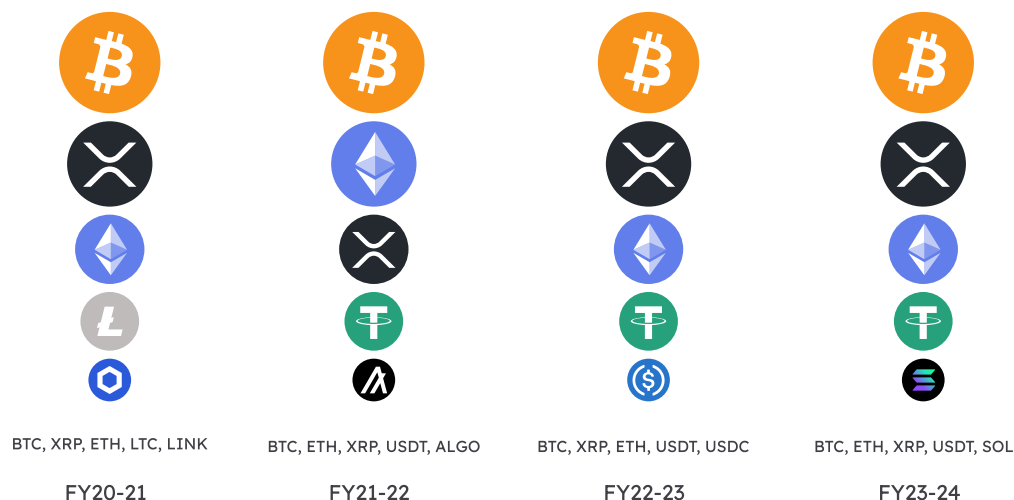
That said, the relationship between halving events and price appreciation is not always straightforward. Various market factors can influence this dynamic, and analysts suggest that this year's record highs were more closely related to ETF approvals than to the halving event itself.

The popularity of cryptocurrencies traded on the BTC platform also shifted over the years:

# BTC

#1 top-traded crypto

## Top 5 most popular crypto traded on the platform



BTC has consistently been the top-traded cryptocurrency, with ETH and XRP maintaining strong positions. The rise of stablecoins like USDT and USDC, and the emergence of SOL in FY23-24, reflect evolving market trends and user preferences, highlighting a diversification in cryptocurrency interests.



# Non-retail and SMSFs outpace retail deposits

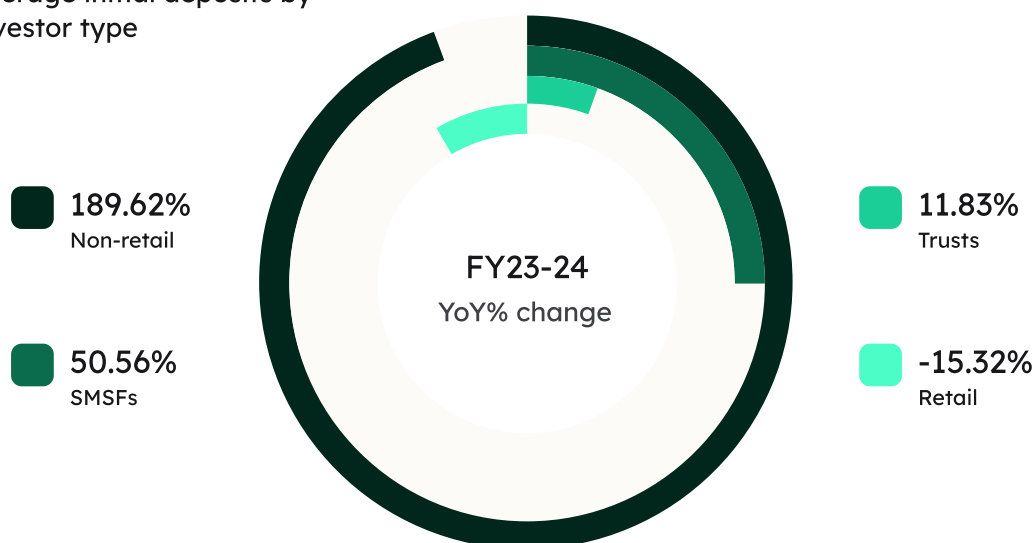
This section delves into the comparison of investor-type by the growth of their average initial deposits during FY23-24. While a resurgence in investment has traditionally been driven by retail investors – consistent with the historical view of cryptocurrency as a “people’s movement” – a notable shift is occurring. Non-retail investors, although fewer in number, have experienced a dramatic 189% increase in their average initial deposits.

In comparison, SMSFs saw a 50% rise, and trusts experienced a 12% increase. Conversely, retail investors saw a 15% decline in their average initial deposits on the BTC Markets platform. This shift highlights the growing influence of more sophisticated investors in the crypto market.

# 50%

rise in SMSF's  
initial deposits

Average initial deposits by investor type



Top 3 most popular crypto choice for non-retail investors



The top three cryptocurrencies favoured by non-retail investors have remained largely consistent, with slight shifts among BTC, ETH, and XRP. This stability underscores the ongoing confidence non-retail investors have in these well-established digital assets.

## Growing role of crypto in retirement portfolios

According to the Australian Taxation Office, SMSFs held approximately \$1 billion in cryptocurrency assets in March 2024, a substantial increase from \$198 million in 2019<sup>8</sup> -- representing a 400% growth over five years. This trend highlights the rising interest in digital assets among Australian investors and positions cryptocurrency as one of the fastest-growing asset classes within SMSF portfolios. SMSFs and trusts are increasingly adopting cryptocurrencies for its diversification benefits, potential high returns, tax advantages, and as a possible hedge against inflation.

A decade ago, cryptocurrencies were relatively unknown and deemed unsuitable for retirement portfolios. Today, the landscape has transformed dramatically. Over the past 14 years, gold has yielded a return of 97% in US dollar terms, and the S&P 500 has returned 380% as of 8 August, 2024<sup>9</sup>. However, Bitcoin's extraordinary growth of 84 million percent since 2010 far surpasses these figures, drawing significant attention from SMSFs and fund managers.

The rebound in interest from SMSFs, sole traders, and trusts reflects growing confidence among strategic and long-term investors. These investor types are known for their thorough due diligence. The substantial year-on-year growth in their holdings highlights a shift towards the use of digital assets in long-term financial strategies, rather than as speculative trading instruments.

This maturation of the market is also evident at key industry conferences such as TOKEN2049 and the Singapore Fintech Festival. The previous emphasis on flashy, attention-grabbing displays has given way to a greater focus on presentations from traditional and mainstream financial players.

# 400%

SMSF portfolio  
growth over 5  
years



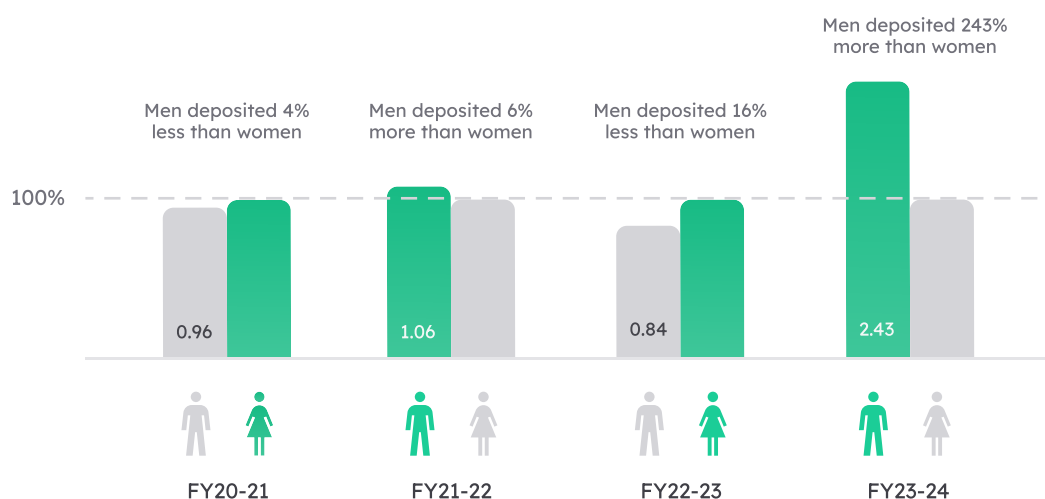
# Deep dive into demographic trends

## 1. Female investors 'closing the gap'

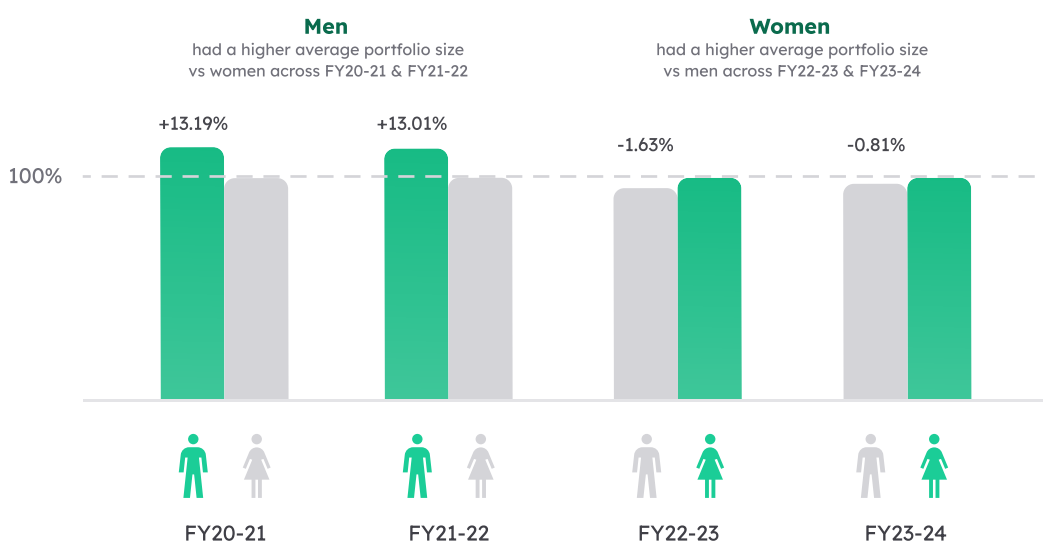
This section examines the evolving trading patterns and investment behaviours of male and female investors on the BTC Markets platform from FY20-21 to FY23-24. Our analysis highlights key differences between genders, providing valuable insights into their respective engagement with cryptocurrency.

The data reveals fluctuations in average initial deposits by men relative to women across the four fiscal years. Women deposited more on average than men in FY20-21 and FY22-23. However, men's average deposits exceeded those of women in FY21-22 and FY23-24, with a notable increase in FY23-24.

Ratio of average initial deposits (men to women)



Average portfolio size comparison



In FY20-21 and FY21-22, men had a higher average portfolio size compared to women, with a difference of approximately +13%. In FY22-23 and FY23-24, women had slightly higher average portfolio sizes compared to men, with percentage differences of -1.63% and -0.81%, respectively.

The data reveals a trend of decreasing disparity in daily trading activity between men and women. While men consistently traded more frequently than women in FY20-21 and FY21-22, the difference has lessened over time. By FY22-23 and FY23-24, the trading frequency gap narrowed, although men still engaged more actively.

### Ratio of average daily trades (men to women)

**Men** consistently traded more than women, with the gap narrowing from FY22-23 to FY23-24.



### Insights and trends

The data underlines that despite market fluctuations, female investors have demonstrated consistent engagement on our platform, with steady trading patterns and substantial initial deposits. Male investors have shown greater volatility in their trading activities and portfolio sizes, reflecting the impact of market conditions on their behaviours.

Despite a global gender gap in cryptocurrency adoption, female investors exhibit a disciplined and cautious approach, often starting with smaller investments and increasing their commitment over time. This behaviour mirrors traditional investment approaches, where women are historically

less likely to invest and often perceived as "risk-averse," but they are closing the investment gap faster than ever before.

In summary, there is a narrowing in gender disparities in the crypto space. Female investors are not only matching but, in some cases, exceeding male counterparts in portfolio values and trading consistency.

## 2. Crypto by age: Who's leading the market?

This section delves into the trading behaviours and investment patterns across different age groups on our platform, focusing on average initial deposits, daily trading activity, and portfolio sizes from FY20-21 to FY23-24.

To complement this analysis, we incorporated findings from a consumer survey conducted in July 2024 by our research partner, **Protocol Theory**. The survey, which included over **1,290 Australian adults**, explored attitudes towards cryptocurrency and future investment intentions.

# 46%

experienced investors agree crypto is a unique opportunity.

### Best performing age cohorts

	Largest initial deposit	Largest daily trades	Largest portfolio size
FY20-21	60+ y/o	25-44 y/o	60+ y/o
FY21-22	60+ y/o	25-44 y/o	60+ y/o
FY22-23	60+ y/o	25-44 y/o	60+ y/o
FY23-24	25-44 y/o	25-44 y/o	60+ y/o

### Current trends and future intentions

Crypto trading remains predominantly active among younger demographics, particularly those aged 25-44. This group shows the highest frequency of trades on the BTC Markets platform. Despite this, older investors (60+) have consistently demonstrated a greater capacity for larger initial investments and maintain the largest portfolio sizes. This trend is attributable to their greater financial stability and accumulated wealth over time.

However, in FY23-24, the 25-44 age group surpassed the 60+ cohort in initial deposits. This shift suggests that older investors who are transitioning to retirement may be adopting a more cautious approach due to market volatility and the evolving ETF

landscape, while younger investors are showing greater confidence and risk tolerance. It suggests that younger investors might be strategically positioning themselves to capitalise on market fluctuations and entry opportunities to "buy the dips".

Survey data reveals that more than 1 in 3 (36%) Australians aged 35-64 agree that cryptocurrencies offer a unique opportunity to diversify investment portfolios. In fact, this number rises to almost 1 in 2 (46%) amongst experienced investors (i.e. Australians aged 35-64 who rate their knowledge of investing as "Very High" or "Extremely High").

Moreover, 44% of respondents who do not currently own any cryptocurrency are either actively considering it, or are open to considering it in the future. Notably, approximately half of those aged 45-54 and about one-third of individuals aged 55+ are open to exploring cryptocurrency. This suggests that while older investors are not as active as their younger counterparts, there is a growing interest in cryptocurrency as a means of portfolio diversification.

These insights indicate that while younger investors dominate trading activity, older investors are increasingly engaging with cryptocurrency, albeit with a more cautious

and research-driven approach. They prefer to conduct thorough due diligence, consult with professionals, and carefully analyse the market before making investment decisions. This reflects a more traditional and measured investment strategy.

This evolving dynamic underscores the broader acceptance of cryptocurrency across age groups, reflecting its growing importance in modern investment strategies.



# CEO closing remarks

## Future trends to watch

As the saying goes, “numbers don’t lie,” and our data provides a clear view of where we stand as an industry. As we look ahead, I want to highlight three key trends that will shape the future of cryptocurrency, including in Australia.

## 1. The conversation will be led by traditional finance

The narrative around cryptocurrency will no longer be dominated solely by crypto players. Instead, mainstream global financial institutions will increasingly steer the conversation, which makes us optimistic about crypto’s future.

We’re already seeing this shift in 2024. During my recent visit to the Point Zero Forum in Zurich, I observed major institutions discussing tokenisation and on-chain financial services. Financial institutions like JP Morgan, Standard Chartered, Goldman Sachs, HSBC, Citi, Franklin Templeton, Fidelity, and Deutsche Bank are not merely running proof-of-concept experiments – they’re integrating these technologies into their core operations and addressing interoperability challenges.

In contrast, Australia’s asset management and superannuation industries, which oversee trillions of dollars, remain detached from these conversations. Despite financial services being a major contributor to our economy and employing over 450,000 people, we are lagging in technology adoption compared to other financial markets and are often seen as a “sideshow.”

Hopefully, the global financial institutions now putting blockchain and crypto at the forefront of their activities can set a precedent for Australia.

## 2. US elections will redefine crypto’s future

The crypto industry is bracing for what could be its most consequential event yet: the 2024 US presidential election.

At the Bitcoin 2024 Conference in Nashville, Tennessee, Former President Trump promised to position the United States as the “crypto capital of the planet” and to create a Bitcoin “strategic reserve” with government funds. His remarks came a day after former independent presidential candidate Robert F. Kennedy Jr. also pitched the idea of a strategic Bitcoin reserve to the conference.

Meanwhile, the Democrats “Crypto for Harris” campaign aims to present presidential candidate Kamala Harris as a champion of the crypto community, despite the industry’s negative perception of the current administration.

The rhetoric from all contenders is clearly focusing a pro-crypto agenda and supporting American technological leadership.

While some might perceive crypto as a political pawn, the election outcome will undoubtedly shape the future of digital assets everywhere. Decisions made by the next administration – either to impose a pro-crypto agenda or introduce stringent regulation – will set the course for how cryptocurrencies are utilised globally.

Only time will reveal the full extent of these impacts. For now, stakeholders across industries and countries are watching with anticipation.

### 3. Regulation will shape capital flow

I want to end this report by circling back to the most critical topic for our industry: **regulation.**

This is a global issue.

In Thailand, the central bank is experimenting with digital currencies in collaboration with regional banks. In the UAE, discussions between crypto and traditional financial regulators are ongoing.

Meanwhile, the European Union is preparing to implement the Markets in Crypto-Assets (MiCA) regulation by 2025. This EU-wide initiative is designed to regulate digital assets across 26 member states by establishing a comprehensive framework for the sector.

In Australia, we've seen two Federal governments make little progress on regulation. We're still waiting, debating and consulting.

Private equity, venture capital firms and investment banks are eager to list innovative Australian companies via security token offerings, but they're hindered by outdated local market infrastructure and a regulatory framework tailored for traditional markets.

This restricts capital raising for Australian innovators and entrepreneurs – and limits local investors' access to high-quality opportunities. As a result, many are taking their capital and intellectual property elsewhere in the Asia-Pacific or Middle East.

I've even been advised to expand overseas to secure funding for BTC Markets, and we're exploring progressive markets like the UAE.

But the future locally remains relatively bright too. As an industry, we're working together to strengthen our case for change with government and regulators. There will come a time when regulation isn't the dominant topic of conversation in our industry. That day, however, has not yet arrived.

# Report methodology

## 1. BTC Markets Platform Data

### 1.1 Data Collection

Data was obtained from BTC Markets for four financial years: FY20-21, FY21-22, FY22-23, and FY23-24.

### 1.2 Data Segmentation

To facilitate a comprehensive analysis of investor behaviour, the data was segmented based on the following demographics: Age, Gender, Location, and Investor Type.

### 1.3 Analysis

Simple year-on-year percentage growth rates were calculated to quantify the change in various financial metrics over the designated financial years. These metrics include average initial deposits, average portfolio size and average number of daily trades.

## 2. Consumer Survey

### 2.1 Survey Design

A device-agnostic online survey by Protocol Theory captured data from 1,290 Australian adults, covering demographic, psychographic, and investment-related attributes.

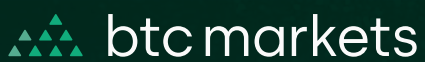
### 2.2 Survey Content

The survey included sections on Psychographic Profiling, General Investment, Attitudes and Behaviours, Investment Product Value, Drivers, Crypto Attitudes & Behaviours, and Demographics & Profiling.

### 2.3 Fieldwork

Fieldwork was conducted from 28 June to 10 July 2024.





## About BTC Markets

BTC Markets is a digital asset exchange trusted by over 362,000 Australian clients, who have traded over AU\$28.2 billion. Our mission is to offer a sophisticated, intuitive, and reliable trading platform to the investor community. Founded in 2013 on values of reliability and integrity, the exchange is a pioneering figure in Australia's blockchain sector.

More information is available on [btcmarkets.net](https://btcmarkets.net).

# Appendices

## <sup>1</sup> TradingView:

BTC/USD Bitfinex (from October 2023 open to March 2024 high)

## <sup>2</sup> 3 Reasons Advisors Should Consider Bitcoin:

<https://www.vaneck.com/us/en/blogs/digital-assets/3-reasons-advisors-should-consider-bitcoin/#:~:text=Bitcoin%20Has%20Been%20the%20Best,as%20of%20December%2031%2C%202023.>

## <sup>3</sup> TradingView:

BTC/USD Bitfinex (12-month chart comparison: 2020 +301.46% vs 2023 +155.53%)

## <sup>4</sup> Eric Balchunas, Senior ETF Analyst for @Bloomberg.

[https://x.com/EricBalchunas/status/1822977778209227259?ref\\_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1822977778209227259%7Ctwgr%5E41be1638607206777ece8ce7fd7b9df7b6d48418%7Ctwcon%5Es1\\_&ref\\_url=https%3A%2F%2Fwww.cryptoglobe.com%2Flatest%2F2024%2F08%2Fspot-bitcoin-etfs-saw-over-19-billion-of-inflows-year-to-date-data-shows%2F](https://x.com/EricBalchunas/status/1822977778209227259?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1822977778209227259%7Ctwgr%5E41be1638607206777ece8ce7fd7b9df7b6d48418%7Ctwcon%5Es1_&ref_url=https%3A%2F%2Fwww.cryptoglobe.com%2Flatest%2F2024%2F08%2Fspot-bitcoin-etfs-saw-over-19-billion-of-inflows-year-to-date-data-shows%2F)

## <sup>5</sup> TradingView:

BTC/USD Bitfinex (2024 12-month chart)

<sup>6</sup> <https://www.theguardian.com/technology/2024/mar/05/bitcoin-cryptocurrency-new-record-value-explainer#:~:text=The%20ETF%20announcement%20shows%20there,bull%20runs%2C%E2%80%9D%20he%20says.>

<sup>7</sup> <https://finance.yahoo.com/news/many-bitcoins-does-buy-house-143011425.html?>

<sup>8</sup> [Self Managed Superannuation Funds - SMSF quarterly statistical report December 2023 - data.gov.au](#)

<sup>9</sup> <https://casebitcoin.com/charts>



