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Bitcoin: mass market or elite circle?

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Abstract

It is possible to draw a rough picture of the most important players around the most important crypto settlement unit; however, a closer look reveals a lack of transparency and regulation.

Zusammenfassung

Zwar lässt sich ein grobes Bild der wichtigsten Spieler rund um die wichtigste Krypto-Verrechnungseinheit zeichnen, ein näherer Blick zeigt aber mangelnde Transparenz und Regulierung.



The [average investor in cryptocurrencies is young and male](#). This suits one of the biggest players on the market, whose company MicroStrategy dominates the market for Bitcoin, the most important crypto settlement unit: Michael Saylor. Because only older people remember exactly: Saylor was responsible for one of the biggest price falls during the tech crash at the turn of the millennium. MicroStrategy, a medium-sized software company from the USA, was [confronted with accusations of balance sheet manipulation](#) at the time. In the end, Saylor reached a multi-million settlement with the US Securities and Exchange Commission (SEC) and had to make significant downward corrections to its business figures. The MicroStrategy share price plummeted to 50 cents, after a high of 105 dollars.¹

1. business model Bitcoin accumulation

For 20 years, MicroStrategy's share price bobbed, presumably also because the company's software business barely grew: in 2021, for example, turnover was ten per cent lower than in 2011 at 511 million dollars. But by then, Saylor had already changed the focus of his company's business: to the purchase of Bitcoin. This not only pushed MicroStrategy's share price far above its old heights, but possibly also his drive to conceal his own income. The public prosecutor's office took action against him for income tax fraud. [In the end, Saylor reached a settlement with the District of Columbia totalling 40 million dollars](#). The public prosecutor's office spoke of the largest back payment of income tax in the district to date. [Saylor subsequently resigned as CEO of MicroStrategy in August 2022](#), but retained his role as Executive Chairman in order to expand Bitcoin business, as he himself announced.

It worked. No company holds more Bitcoin on its own books than MicroStrategy - at least according to official, verifiable data. With just under 569,000 Bitcoin, MicroStrategy owns a good 2.7 per cent of all Bitcoin. By the beginning of May 2025, a good 19.86 million Bitcoin had been mined. By the year 2140, the maximum of 21 million mined Bitcoin is to be reached. At least that's what [the white paper by the anonymous Bitcoin inventor\(s\) "Satoshi Nakamoto"](#) promises.

2. incomplete information

MicroStrategy is essential for the Bitcoin market, but not alone. But how is Bitcoin, which is the largest crypto settlement unit with a market capitalisation of around two trillion dollars, distributed among holders, and what about regulation and the associated risks?

The answer is not simple. Bitcoin is traded around the clock, even at weekends, so ownership can change constantly. In addition, it is only partially known who holds

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Bitcoin. Transactions on the Bitcoin blockchain, the digital database, are publicly visible, but are not directly linked to the identity of the user

The portfolio held by listed companies can be tracked regularly, as they are accountable to the capital market. The same applies to listed products that are backed by Bitcoin.

The listed MicroStrategy alone holds half as much Bitcoin as all listed passive Bitcoin funds (exchange-traded funds/ETFs) combined (Figure 1).

Figure 1: Key holders of Bitcoin

Listed companies	Number of Bitcoin	in % of all Bitcoin*
MicroStrategy Inc.	568.840	2,709%
Marathon Digital Holdings	44.893	0,214%
Riot Platforms, Inc	17.722	0,084%
Galaxy Digital Holdings**	15.449	0,074%
Tesla, Inc.	11.509	0,055%
Hut 8 Mining Corp	10.171	0,048%
Block Inc.	8.485	0,040%
CleanSpark Inc.	8.049	0,038%
Coinbase Global, Inc	6.918	0,033%
Metaplanet Inc.	4.525	0,022%
Boyya Interactive	3.351	0,016%
Semler Scientific	3.192	0,015%
Hive Digital	2.805	0,013%
Exodus Movement Inc	1.941	0,009%
BitFuFu	1.800	0,009%
Bitfarms Limited	1.446	0,007%
Canaan	1.293	0,006%
Cipher Mining	1.034	0,005%
Cango	994	0,005%
Other holders		
ETFs	1.110.368	5,287%
"Satoshi"	1.100.000	5,238%
other companies***	286.598	1,365%
USA	198.012	0,943%
China	194.000	0,924%
Great Britain	61.000	0,290%
Ukraine	46.351	0,221%
North Korea (hacker group)	13.562	0,065%
El Salvador	13.029	0,062%
Buthan	6.159	0,029%

*Bitcoin is said to be limited to 21 million units, **largely via ETFs, ***only companies with more than 1,000 Bitcoin, including Block One, Tether Holding Limited, Stone Ridge Holdings Group, SpaceX, The Tezos Foundation, ETFs: only spot ETFs, source: annual reports, quarterly reports, company announcements, Bloomberg, Bitcoin Treasuries, Arkham, South China Morning Post, Flossbach von Storch Research Institute, as of May 2025.



While the share is still listed under MicroStrategy, Saylor recently renamed his company simply "Strategy". Further Bitcoin purchases have been announced. To this end, the company is either increasing its share capital or issuing bonds, often a mix of both, in the form of convertible bonds. From the beginning of 2024 to the end of April 2025 alone, MicroStrategy raised 32.6 billion dollars in fresh capital. With its regular purchases, the company has a significant influence on the price of its Bitcoin investments. [Critics therefore accuse Saylor of running a "Ponzi scheme"](#).

A good 70 listed companies - a figure that is on the rise - have acquired Bitcoin and have almost 721,000 coins on their books. This is according to Strategy and company data. Strategy holds around 77 per cent of them. [The company's average entry price is USD 69,287](#) (as at 12 May 2025). At more than 100,000 dollars, the current Bitcoin price is a good 40 per cent higher.

In addition, it is estimated that non-listed companies hold around 400,000 Bitcoin. Figures in this order of magnitude are quoted by "Bit-coinTreasuries.com" and the cryptocurrency exchange Kraken. In reality, this figure may be higher or lower - unlisted companies are often not subject to any obligation to provide information on crypto holdings.

Data on this may not be up-to-date or traceable, which is a general problem. In a few cases, this also applies to listed companies. For example, [the Japanese company Nexon Ltd announced the acquisition of 1,717 Bitcoin at the beginning of 2021](#), but the latest reports no longer contain any specific details. This is why Nexon does not appear in the overview of the largest holders (Figure 1).

Depending on the source, a good seven per cent or [up to 3.7 million](#) (which corresponds to just under 18 per cent) of all Bitcoin already mined can no longer be found - their holders are said to have lost the digital keys or hard drives are gone. [One of them is said to be in a rubbish dump in Wales](#). The 8,000 Bitcoin allegedly stored there would currently be worth around 800 million dollars. The following applies to information on lost Bitcoin: the figures may be incorrect. Time and again, Bitcoin holdings are included here whose holders have not moved them over a longer period of time.

3. a good 55 million individual addresses

The information on Bitcoin holders varies and can change hourly. Up to [450 coins mined](#) new are currently every day. Roughly calculated and rounded, we estimate that 15 million Bitcoin or a good 71 per cent are held by individuals, or rather individual addresses (Figure 2).



Figure 2: Rough categorisation of Bitcoin holders



partly estimated, figures vary widely in some cases and are not always comprehensible, generously rounded, source: annual reports, quarterly reports, company announcements, Bitcoin Treasuries, Bloomberg, bitinfocharts, Flossbach von Storch Research Institute, as at April 2025.

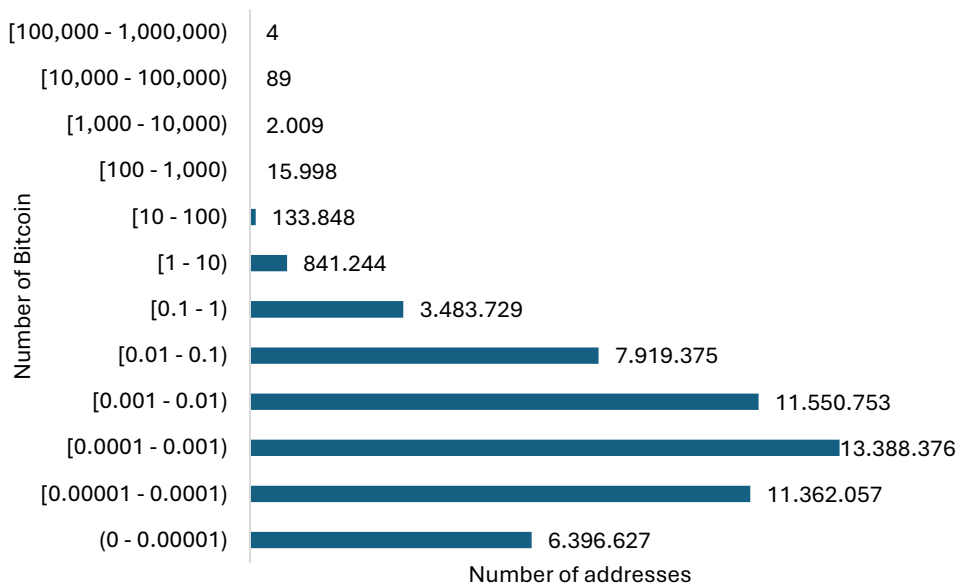
Each Bitcoin, or part of it, is assigned an address in the Bitcoin blockchain. The data provider bitinfocharts lists almost 55.1 million addresses that hold Bitcoin. Individuals or institutions often have several addresses. Institutional addresses such as trading platforms or the issuers of ETFs in turn hold Bitcoin for their customers or investors - so there is a broad distribution here, possibly with only one address.

How many private individuals hold Bitcoin is unknown. Various crypto platforms claim to know the number. But the range of estimates alone, from [106 million](#) to [337 million](#), shows that the Bitcoin community is dicing numbers.

In any case, the concentration is very high. Behind 54.1 million addresses there are very small shares of Bitcoin, behind the remaining one million addresses there are more than 19.5 million Bitcoin. According to "bitinfocharts", a good 18,000 addresses hold just over twelve million Bitcoin (Figure 3).



Figure 3: Distribution of Bitcoin to individual addresses



Source: bitinfocharts, Flossbach von Storch Research Institute, as at April 2025.

Around 80 per cent of all Bitcoin addresses are backed by coins with a current value of just over one dollar to a maximum of just over 10,000 dollars.

4. lack of regulation

Bitcoin mining is decentralised and trading is largely unregulated. Platforms like to register in exotic locations such as El Salvador or the Caribbean. Mining mainly takes place in places where electricity for energy-intensive mining is available at favourable prices. [The USA is the leader, with China in second place](#), although mining was banned there in 2021. Major trading platforms and therefore Bitcoin administrators include Coinbase, Binance and, in the past, FTX.

The lack of regulation had negative consequences for millions of crypto investors. FTX is alleged to have embezzled customer deposits totalling ten billion dollars through transfers to its affiliated company Alameda Research. [The trading platform registered in the Bahamas became insolvent](#) and founder Sam Bankman-Fried was [sentenced 25 years in prison for fraud](#) to in 2024. SBF - as his fans call him - has previously made it onto the cover of Forbes magazine. He has this in common with MicroStrategy's Michael Saylor, known to fans as "Saylor" for short.

Abbreviations are popular in the Bitcoin world. Behind "CZ" is Changpeng Zhao, who founded Binance, one of the largest Bitcoin custodians. [CZ was also imprisoned after admitting to money laundering. Binance paid more than four billion dollars in fines.](#) Alex Mashinsky, founder of the bankrupt cryptocurrency lending platform Celsius Network, was sentenced as recently as May 2025: [He faces twelve years in prison for fraud.](#)

The company Binance, whose headquarters are unknown, continues to be one of the most important trading platforms and is said to hold a total of around 600,000



Bitcoin for customers of all kinds. According to "bitinfocharts", four of the 25 largest wallets, the digital storage facilities for Bitcoin, are from Binance alone, with a total of just under 500,000 Bitcoin (Figure 4).

Figure 4: The 25 largest Bitcoin wallets

Owner	Number of Bitcoin
wallet: Binance-coldwallet	248.598
wallet: Robinhood-coldwallet	140.575
wallet: Bitfinex-coldwallet	139.010
wallet: Binance-coldwallet	134.281
wallet: Bitfinex hack recovery	94.643
wallet: Tether	92.647
wallet: Mt.Gox hack	79.957
anonymous	78.317
wallet: SilkRoad-FBI-Confiscated	69.370
wallet: Binance BTCB Reserve	68.200
anonymous	65.000
wallet: Mr.100	58.354
anonymous	53.880
anonymous	51.830
anonymous	45.533
anonymous	44.194
anonymous	44.000
wallet: Coincheck	41.726
wallet: OKEx	41.432
wallet: Binance-coldwallet	37.927
wallet: UK-Gov-Confiscated	36.000
wallet: BITMEX-coldwallet	35.277
anonymous	35.000
anonymous	34.000
anonymous	33.256

Source: bitinfocharts, Flossbach von Storch Research Institute, as at May 2025.

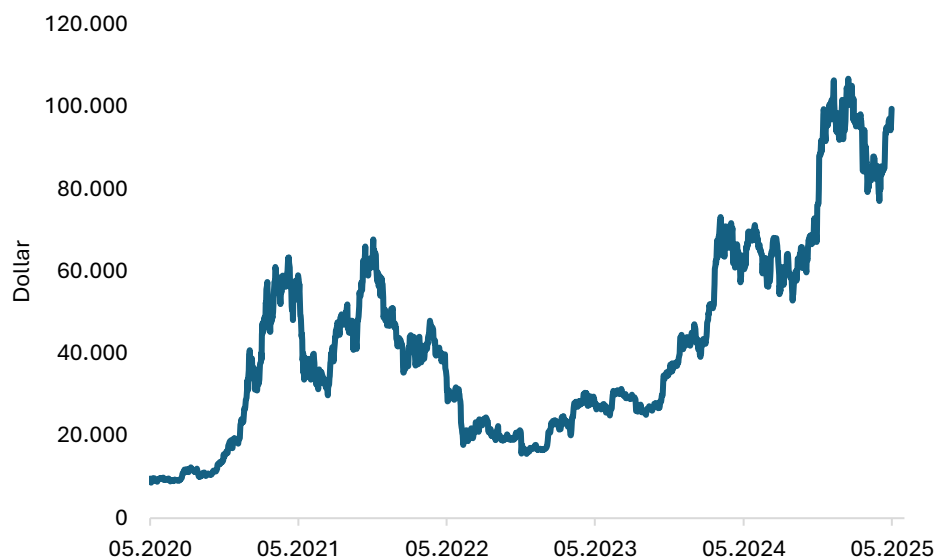
In addition to Binance founder Zhao, Ross William Ulbricht also served time in prison. The founder of the darknet drug exchange SilkRoad, which used Bitcoin as its trading currency, [was sentenced to life imprisonment in 2015](#). He was released at the beginning of this year following a pardon from US President Donald Trump. The Silk Road wallet confiscated by the FBI contains a good 69,000 Bitcoin.

The Japanese crypto exchange Mt.Gox went bankrupt under dubious circumstances. [Following a hacker attack, customers are said to have lost 740,000 Bitcoin](#). The still existing Mt.Gox hack wallet is still the seventh largest digital Bitcoin storage facility. [Tether, which holds the sixth-largest Bitcoin wallet, had to pay fines because alleged reserves backing the Tether stablecoin USDT could not be found and losses were concealed. The same applies to the Bitfinex platform, one of the oldest crypto exchanges based in the British Virgin Islands.](#)



[Tether could be one of the main drivers of Bitcoin.](#) Its stablecoin USDT, which is allegedly backed by dollar reserves and short-term US government bonds, is also used to buy Bitcoin. [Tether relocated its headquarters from the British Virgin Islands to El Salvador earlier this year.](#) The alleged reserves have still not been validated. As recently as 9 May, [Tether bought USD 458.7 million worth of Bitcoin for Twenty One Capital](#), a company in its own network, at prices approaching USD 100,000 (Figure 5).

Figure 5: Bitcoin price

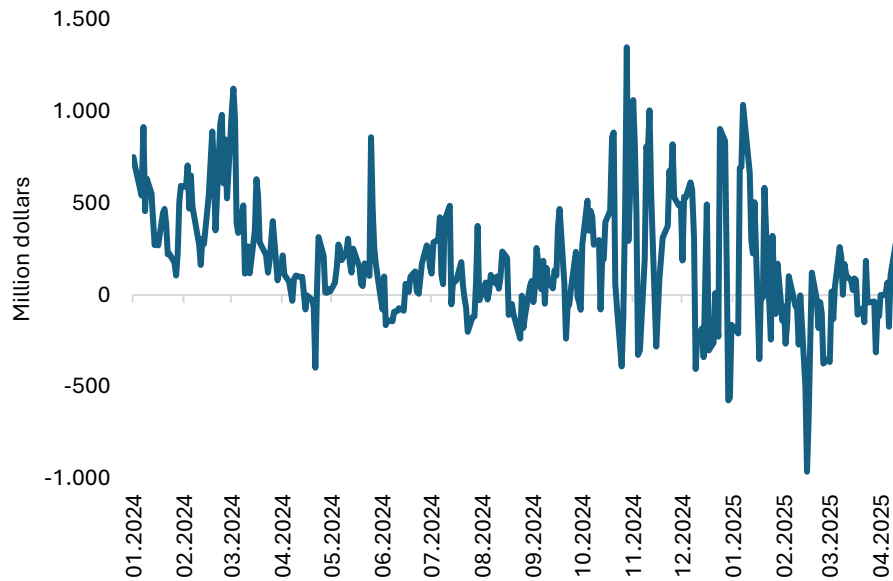


Source: Bloomberg, Flossbach von Storch Research Institute, as at May 2025. **Historical performance is not a reliable indicator of future performance.**

In 2024, the US supervisory authority SEC granted authorisation for exchange-traded index funds (ETFs) backed by Bitcoin. [However, this was not done voluntarily, but in response to legal pressure.](#) There is currently the equivalent of around 115 billion dollars worth of Bitcoin in ETFs. Providers such as BlackRock manage the funds of customers who do not want to buy and store Bitcoin directly. Every day, several hundred million dollars' worth of Bitcoin is regularly traded via ETFs, with one billion dollars flowing in or out in exceptional cases (Figure 6).



Figure 6: Inflows and outflows in Bitcoin ETFs



Source: Bloomberg, Flossbach von Storch Research Institute, as at April 2025.

Bitcoin itself is traded daily in the equivalent of tens of billions, on peak days up to more than 100 billion dollars.

Conclusion

Many hold a few, few hold a lot - this is how the distribution of Bitcoin can be summarised. The distribution is not transparent, major players have come into conflict with the law and numerous trading platforms are based in unregulated trading centres. This makes it virtually impossible to regulate Bitcoin as a decentralised, global phenomenon. And in the USA, under President Donald Trump, a more lax approach is to be expected than strict investor protection. [Former SEC chief Gary Gensler was a fierce critic of crypto.](#)

How and whether Bitcoin has already been distributed among the masses is unknown. What is certain is that there is an elite with substantial holdings.

The high concentration contributes to the high volatility of the Bitcoin price. A comparison with gold is out of the question in this respect: gold fluctuates to a much lesser extent.



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