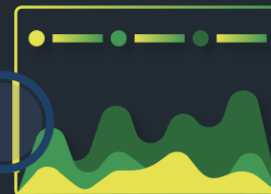
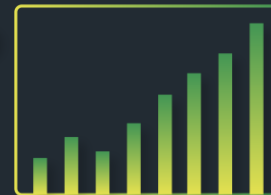




CoinGecko

Bitcoin Innovation Virtual Summit

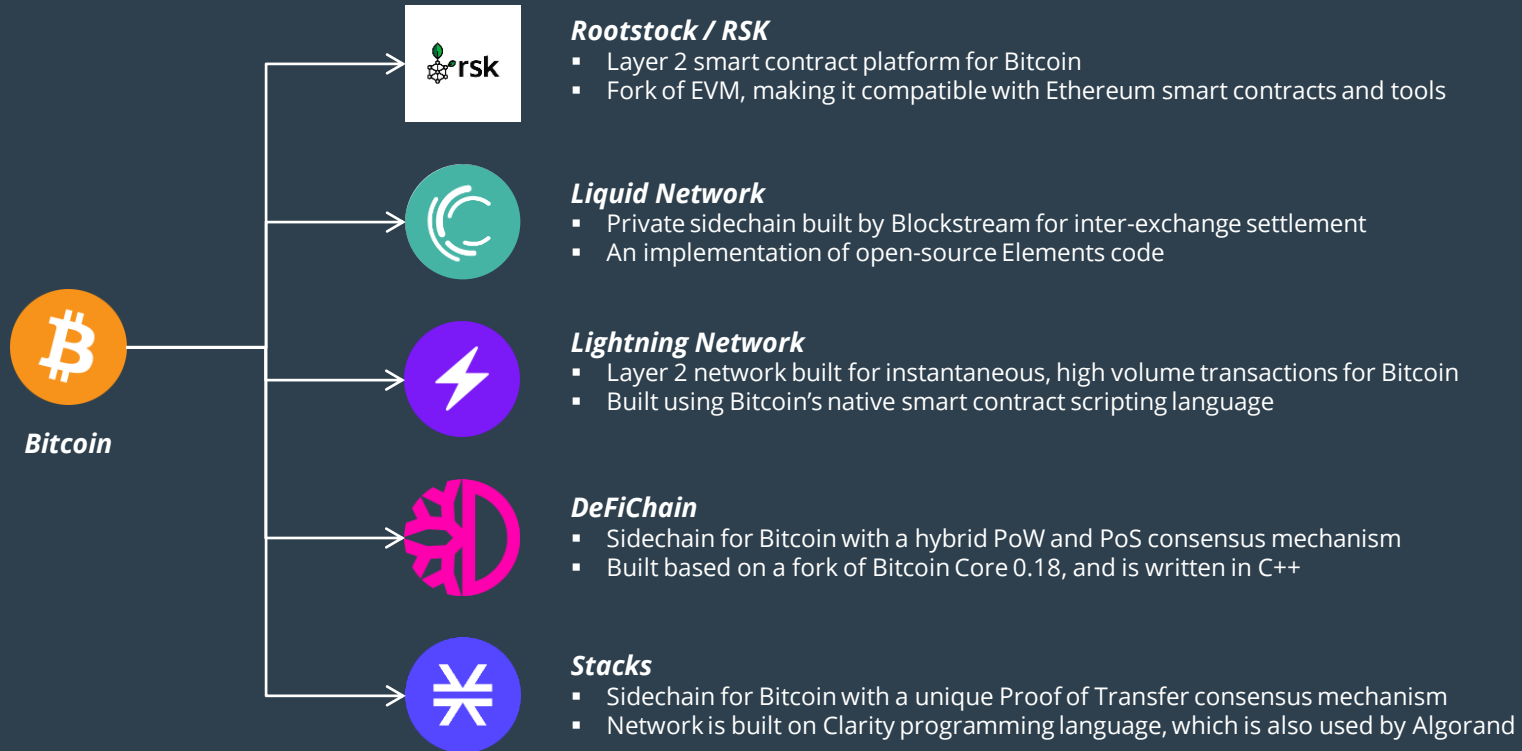
Dive into the Bitcoin DeFi Ecosystem



Market Data. Analysis. Crowdsourced Insights.

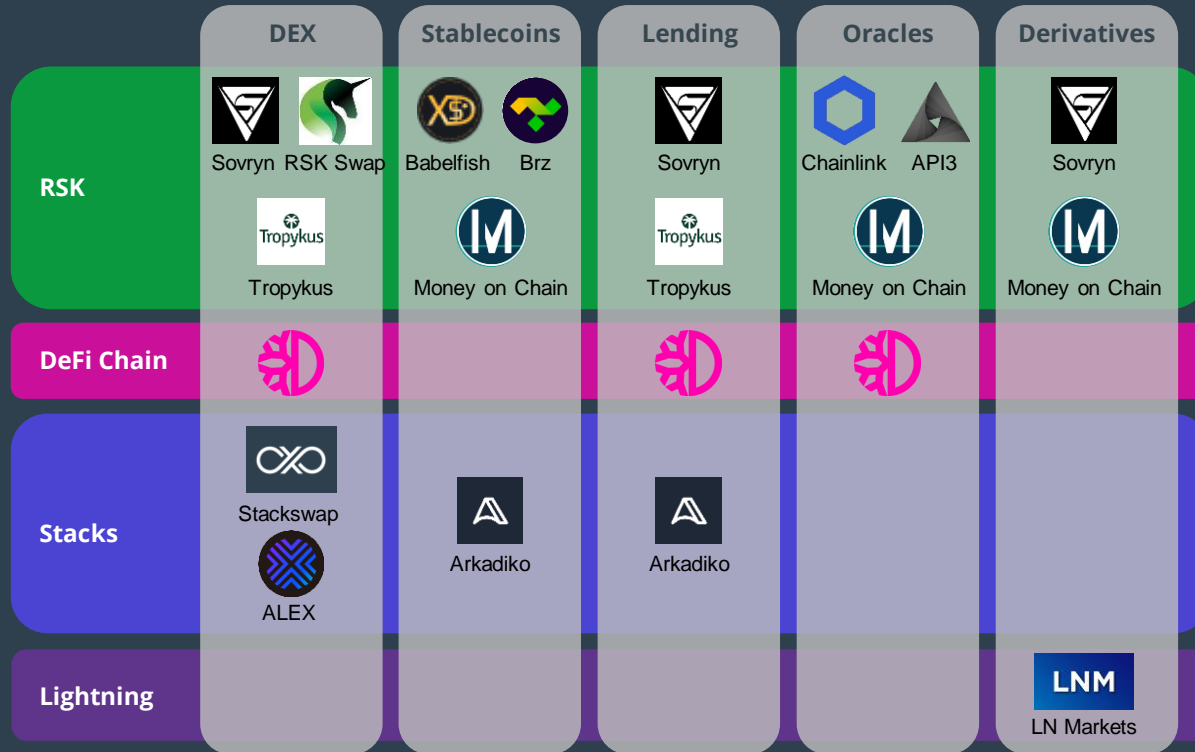
DeFi Implementations on Bitcoin

DeFi apps on Bitcoin have thus far been implemented on sidechains / layer 2s



DeFi Projects on Bitcoin

Most Bitcoin DeFi Projects are still centred around specific verticals



Source: CoinGecko Research

RSK has the most dApps, being the implementation with the longest history, but also perhaps being an EVM implementation

Compared to Ethereum, gaps still exist around other DeFi verticals such as Yield Aggregators, Insurance, Asset Management, and Fixed Income

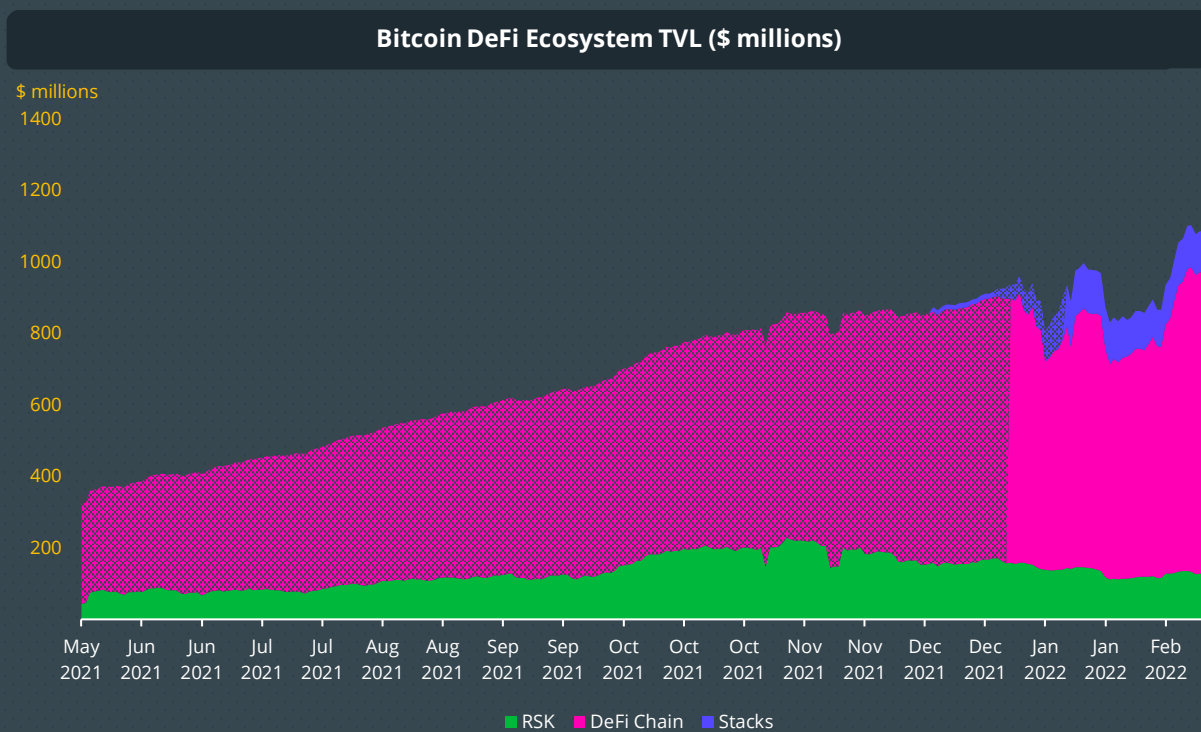
Seems to still be significant development effort being put into wallets and fiat on-ramps

Some upcoming projects worth paying attention to: Chainlink, xBTC, Zest Protocol on Stacks; Sovryn Perp Futures, Bulla Network on RSK

Also watching: CityCoins, bridging of other assets on to Bitcoin, NFTs on Bitcoin, Taproot, better data tools

Bitcoin DeFi Ecosystem Total Value Locked (TVL)

Despite little hype, Bitcoin's DeFi TVL still close to tripled since the start of 2021



\$1.15_B
Total Bitcoin DeFi TVL

DeFi Chain is the dominant Bitcoin DeFi implementation in terms of TVL, with ~77% share of total TVL, off the back of its DEX and Lending protocol

TVL from Stacks have quickly caught up to almost the same level as RSK despite only launching mid last year

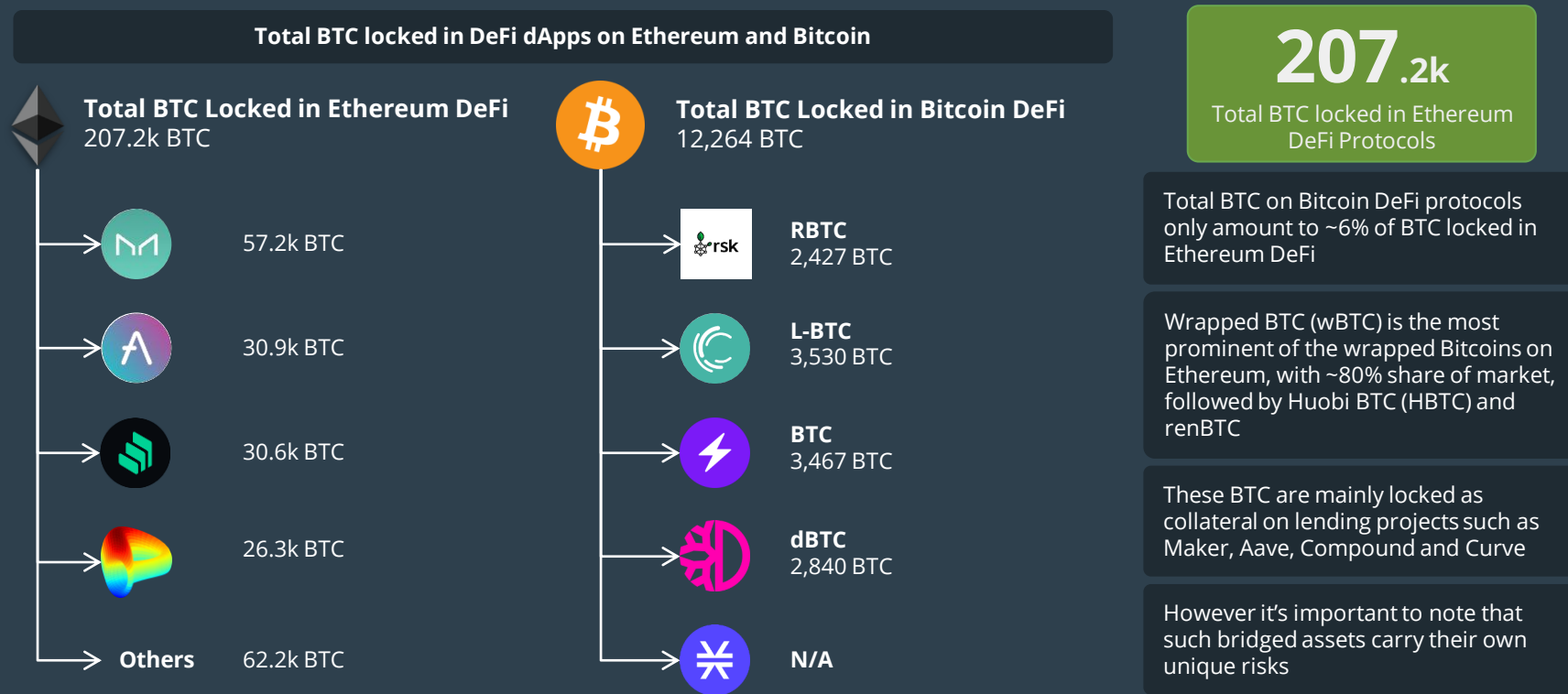
In terms of DeFi segments, DEXes such as DeFiChain DEX, Stackswap and Sovryn retain the most TVL

- Notes:**
1. Chart does not include staking of native tokens for governance, i.e. STX stacking. STX stacking ~\$582 Mn in current cycle.
 2. No TVL recorded from Lightning Network and Liquid Network as there are no significant DeFi dApps built yet

Data source: DeFi Llama, certain historical values extrapolated due to lack of data

The Ethereum Challenge

Amount of BTC in Ethereum DeFi dwarfs the total amount of BTC in Bitcoin DeFi



Data source: DeFi Pulse, CoinGecko Research

While DeFi on Bitcoin remain nascent, there are reasons for optimism



Narrative around a blockchain “ecosystem” instead of blockchain as a single chain taking hold

- Multi-layered blockchain ecosystem narrative has come to the fore in 2021, with sidechains and L2s becoming more accepted methods for scaling; Even other newer base-L1s exploring sidechains / L2s
- With multiple “live” sidechains / L2s, technology around how to build such a layer beginning to mature
- Cross-chain bridges becoming more prevalent, though risks still remain



DeFi protocols are innovating rapidly, though risks of scams and rugs remain high

- Many new protocols being deployed and tested “in the wild”, most with significant liquidity mining rewards
- Forks have been simultaneously good for innovation but also for (low-energy) scams
- NFT + DeFi, under-collateralization are emerging themes



TradFi interest in Bitcoin is at its all time high, and will probably continue to grow

- Increasing institutional interest in having some form of exposure to crypto, and Bitcoin is still first choice
- More TradFi crypto products being rolled out progressively, and it typically starts with Bitcoin
- From a retail perspective, Bitcoin still remain beginner crypto of choice, particularly on CEXes and wallets



Continued narrative of Bitcoin being secure, transparent and immutable

- Mining hashrate for Bitcoin is at its all time high, signalling that security on the basechain continues to work well and strengthened



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