

The Future of Bitcoin in Finance



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What it brings



Unique worldwide accounting ledger

Frictionless transactions globally

Democratic network with no central authority

Deflationary asset with fixed monetary policy

Bitcoin is a network offering banking, clearing and trading services with no central authority and at negligible cost.



How old it is



What it is today

Over 200,000 merchants
Millions of users
Triple-digit growth

\$600M VC in 2014 — \$200M in Q1 2015



How it works



Peer-to-peer network

Bitcoin users connect to each other with no intermediary

Asymmetric cryptography

Bitcoin spending requires a digital signature

Distributed accounting ledger

Account balances are stored in a massively replicated ledger

Computational security of ledger

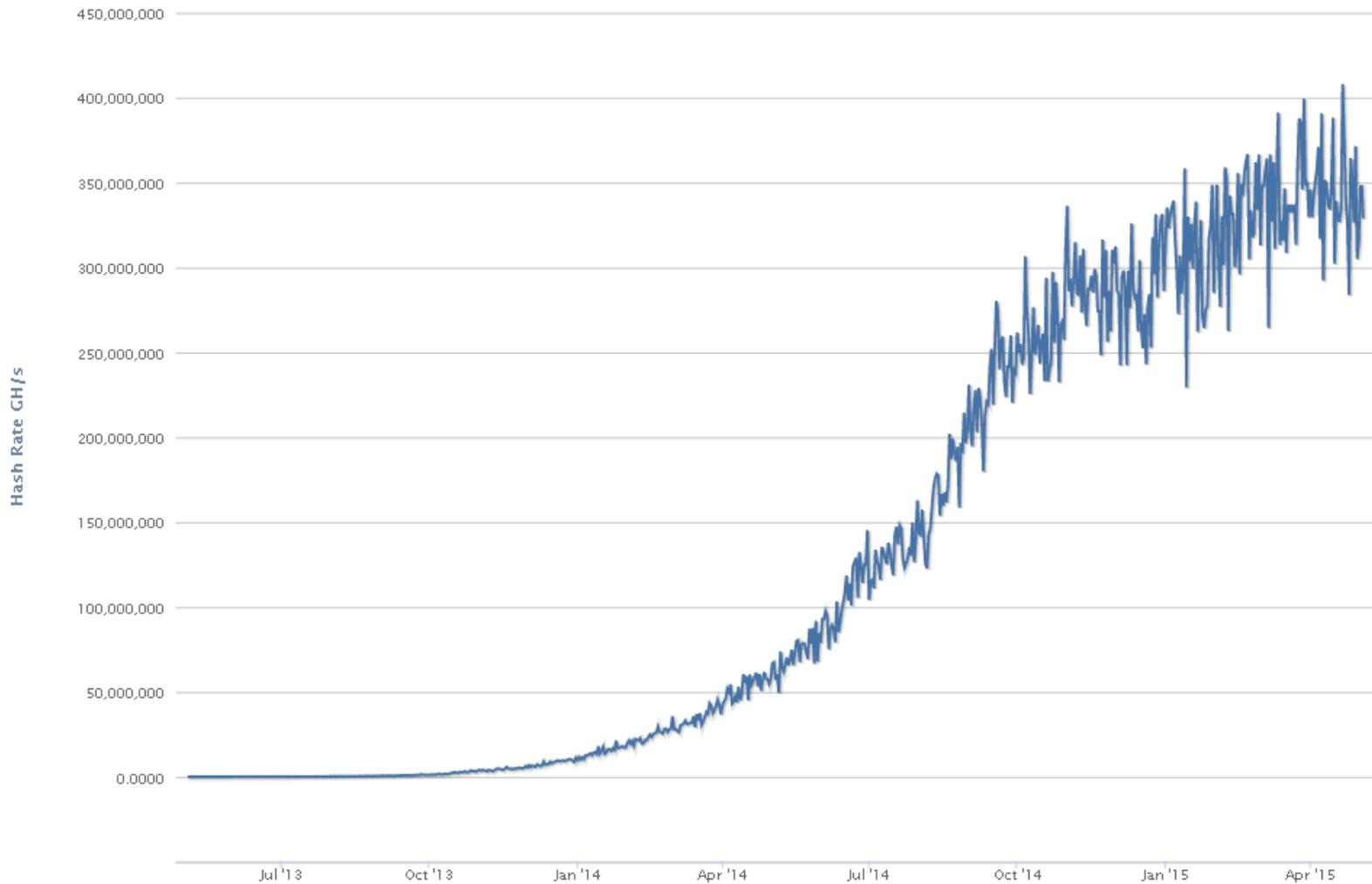
Updating the ledger is secured by algorithmics and processing power

[Example](#)

Bitcoin prevents fraud with a combination of public-key cryptography and revolutionary distributed algorithmics [Satoshi Nakamoto (2009)].



How secure it is



How it is used

As an asset



Speculative investment

Bitcoin is a scarce commodity with disruptive potential



Peer-to-peer micropayments

Pay back your friend for the beer, buy a blog article

As a technology



Payment processing

Low fee alternative to credit card payments



Remittance

Low fee international money transfers

Bitcoin technology is used to clear money transfers but it is neither a unit of account nor a good store of value at this point.

What it can become



The Internet payment protocol

Dominant payment system in the cyberworld

The banking system of the Third World

Financial markets at the cost of an Internet connection

The inter institution clearing technology

International fast and inexpensive clearing

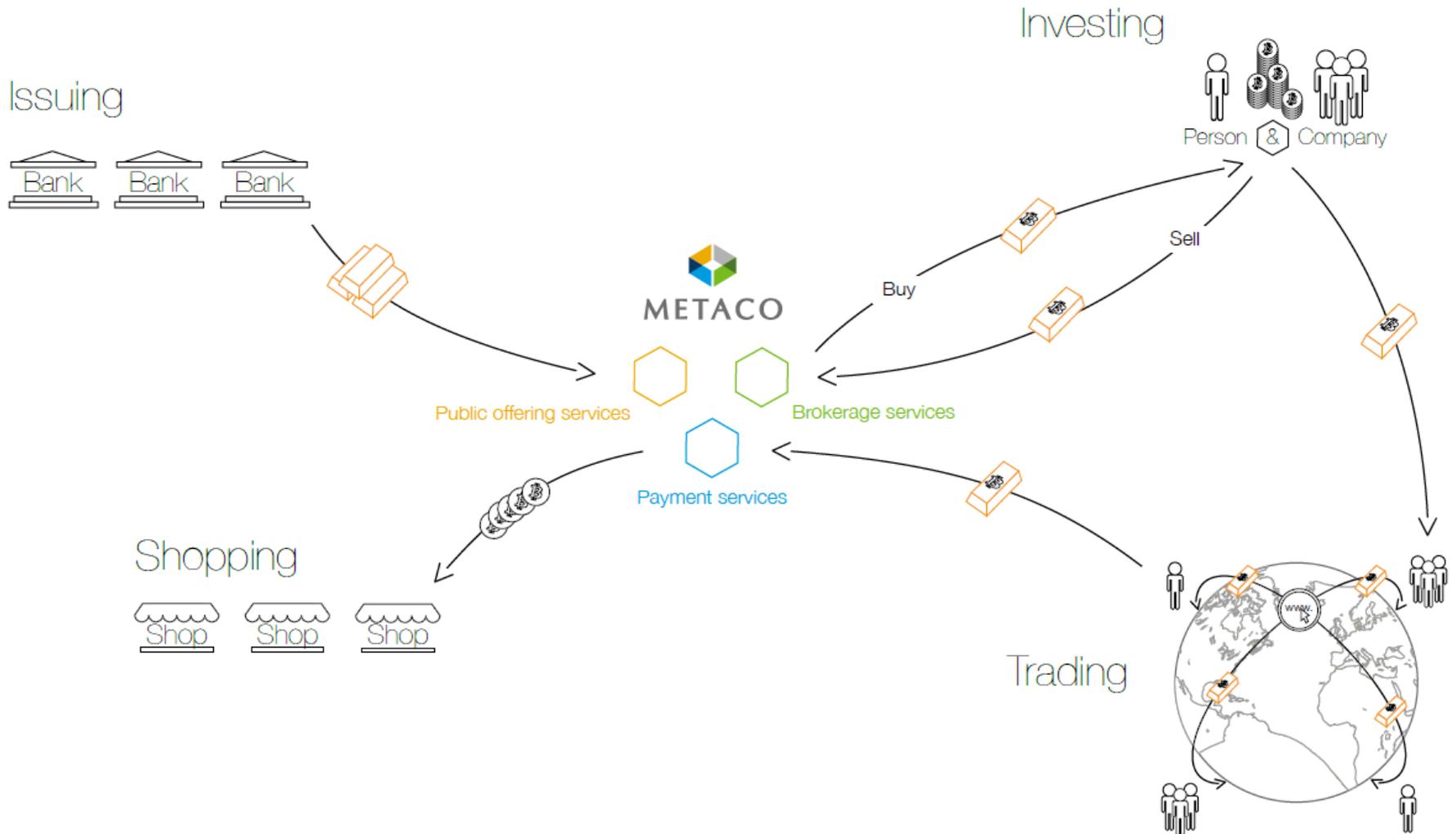
An accounting ledger for all assets

Currencies, precious metals, your car, your dog

Metaco leads the development of the last aspect: bringing traditional assets to the Bitcoin network.



What we do



Discussion



Controversy and political risk

Current status in Switzerland

Bringing markets to the cryptocurrency

Pushing decentralization further

Thank you



Q & A

I will be glad to discuss it further during the break

References

Original publication

- S. Nakamoto, 2009, *Bitcoin: A Peer-to-Peer Electronic Cash System*

Blockchain explorer & statistics

- <http://blockchain.info>

Bitcoin markets

- <http://bitcoinwisdom.com>

Exchanges

- <http://bitstamp.com>
- <http://coinbase.com>

Wallets

- <http://bity.com>
- <http://coinbase.com>

