

2019: A year of cryptocurrency

By [Nic Haralambous](#)

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Cryptocurrency is a "blink and you'll miss it" type of industry. Here is a look back on what made 2019 a brilliant year for cryptocurrency as well as a little of what to expect in 2020.



Image source: Gallo/Getty

- The Bitcoin price fared well in 2019, recovering from the cryptocurrency crash of 2018. Significantly this included a peak price in June of nearly \$13,000.
- The top five cryptocurrencies by market capitalisation are Bitcoin (BTC) \$147.3bn, Ethereum (ETH) \$19.4bn, Ripple (XRP) \$11.7bn, Bitcoin Cash (BCH) \$4.1bn and Tether (USDT) \$4.1bn.
- Facebook announced Project Libra on 18 June 2019. Libra, a cryptocurrency, was scheduled to be launched in the new year but those plans hang in the balance after Facebook faced a difficult year of privacy and security issues. Libra is intended to be a digital currency that works on Facebook, Whatsapp, and Instagram and enables users to make in-app payments.
- Coindirect introduced an over-the-counter trading desk, a first for South Africa. Most South Africans buy and sell cryptocurrency through exchanges but in September, Coindirect launched an OTC desk that enables traders to buy cryptocurrency in bulk in transactions that are private and instant.
- A few major voices came out in support of cryptocurrencies this year, including Jack Dorsey (co-founder and CEO of Twitter) as well as the Bank of England governor Mark Carney who reportedly remarked: "[A digital currency] could dampen the domineering influence of the US dollar on global trade." This marks a change in sentiment which bodes well for the industry as it faces calls for regulation. 2019 also saw a number of institutional investors throw their hats into the Bitcoin ring, signalling that crypto is no longer a niche internet project.
- On its eleventh anniversary (31 October), Bitcoin reached \$1bn in cumulative transaction fees. Solutions like the Lightning Network, which helped to speed up and simplify blockchain transactions, have made cryptocurrency a more attractive prospect for buyers and sellers alike.
- There are approximately 25 million Bitcoin users globally. The exact figure is difficult to pin down due to the private nature of cryptocurrencies (it's in the name!) but 25 million is a fair estimate using data points like the number of blockchain wallets and users on major exchanges like Coinbase.
- The Portuguese Tax & Customs Authority announced that buying or selling cryptocurrency in Portugal is tax-free. This is confirmation that Portugal intends to treat crypto as a currency, rather than a taxable asset, which is the tack

that other regulatory bodies may take in 2020.

- Other crypto-friendly countries include Malta, Germany, Switzerland, Singapore and Bermuda. In 2020, many countries are expected to voice their ideas and plans for how crypto will be regulated. Some countries like China have also developed an official digital currency and details of these projects are still being finalised.
- New Zealand became the first country to legalise salary payments in Bitcoin. The law which came into effect in September enables companies to replace the New Zealand dollar with Bitcoin and is a positive nod towards how other countries might regulate crypto in coming months.

AN INDUSTRY SNAPSHOT

Cryptocurrency in 2019



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Crypto-friendly countries?
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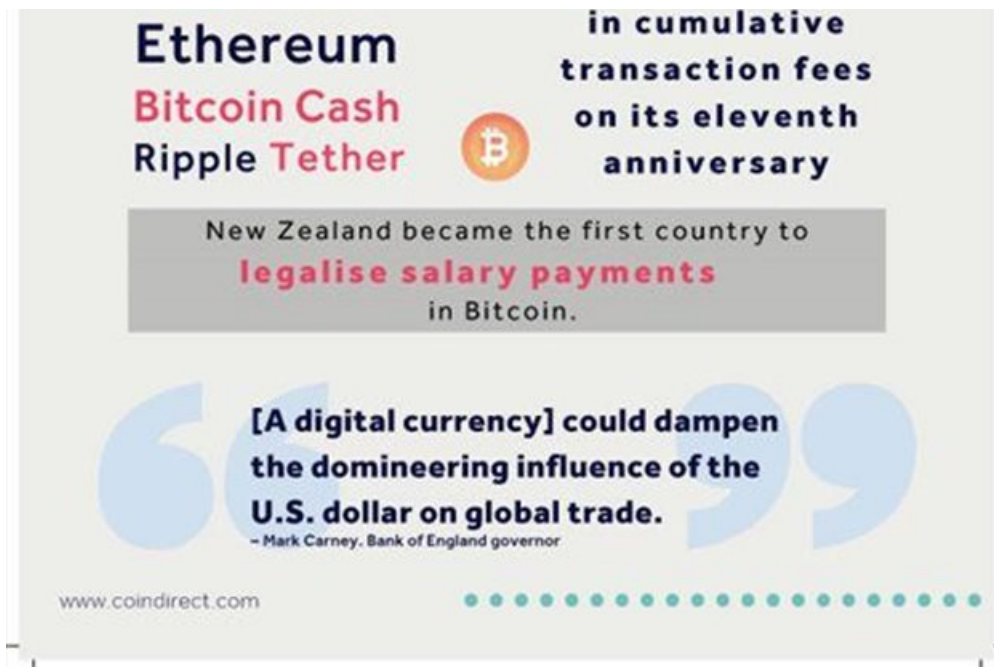
There are more than
25 MILLION
BITCOIN USERS
globally

Facebook announced its own cryptocurrency, Libra, which was met with mixed opinions due to privacy and security concerns around the social network

Coindirect launched
South Africa's
very first crypto
over-the-counter
trading desk

THE CRYPTO BIG FIVE
Bitcoin

Bitcoin reached
\$1 billion



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For the last decade, Bitcoin and its companions have existed almost exclusively in the realm of internet inventions. This past year we have seen cryptocurrency come of age and find its place in the real world. If there's one common thread through the major events of crypto in 2019, it's that the practicality of a digital currency is undeniable. Adoption rates are soaring in emerging markets. Countries like South Africa are investigating ways to make digital currencies work as part of our financial ecosystem. 2020 is shaping up to be an interesting year in crypto.

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