



Investment Thesis

Bitcoin Cash

BCH

Token type	Cryptocurrency
Price	\$204.57
Sector	Payment Platform
Market Cap	\$4.06B

Key Figures

52-Week Range	\$87 - \$330
Market Rank	#18
Market Capitalization	\$4.06 billion
Volume (24h)	\$88,832,834
Volume / Market Cap	0.0223
Circulating Supply	19,487,349
Max. Supply	21,00,000
Block Reward	6.25 BCH
ATH	\$4,076.67
ATH Date	December 20, 2017

Overview

Bitcoin Cash is a **hard fork of Bitcoin** that occurred in August 2017 after a long **debate over Bitcoin's scalability issues**. As early as 2014, some people in the Bitcoin community argued that block size – limited to 1MB in Bitcoin's blockchain – should be increased to allow for greater data capacity and more transactions per second. Bitcoin's core developers opposed this because it would increase node requirements and potentially centralize the network. Thus, they settled for a different solution called **Segregated Witness (SegWit)**, which allowed transaction data to be split and compressed. However, a group of investors and entrepreneurs based in Asia were not satisfied with SegWit. On July 22, 2017, this group announced the **creation of Bitcoin Cash with a larger block size of 8MB**. This feature sought to increase transaction throughput on-chain while maintaining low transaction fees. The **core value proposition** of Bitcoin Cash is to fulfill Satoshi Nakamoto's vision of a decentralized "**peer-to-peer electronic cash system**," emphasizing the **protocol's utility as a medium of exchange** over the predominant narrative of Bitcoin as a digital-native store of value.

- On **August 1, 2017**, a hard fork of Bitcoin (BTC) took place and resulted in the creation of Bitcoin Cash (BCH).
- On **December 20, 2017**, Bitcoin Cash reached an all-time high of \$4,076.67, valued at over **\$60 billion**.
- On **November 15, 2018**, the **8MB limit was increased to 32MB** after another hard fork, which resulted in the creation of **Bitcoin SV**.
- On **May 15, 2021**, a network upgrade removed the unconfirmed transaction chain limit, among other performance improvements.

Key takeaways

- Bitcoin Cash is a hard fork of Bitcoin that seeks to increase transaction throughput on-chain while maintaining low transaction fees.
- Bitcoin Cash prioritizes its utility as a decentralized medium of exchange over a store of value.
- Currently valued at **\$1.97 billion**.

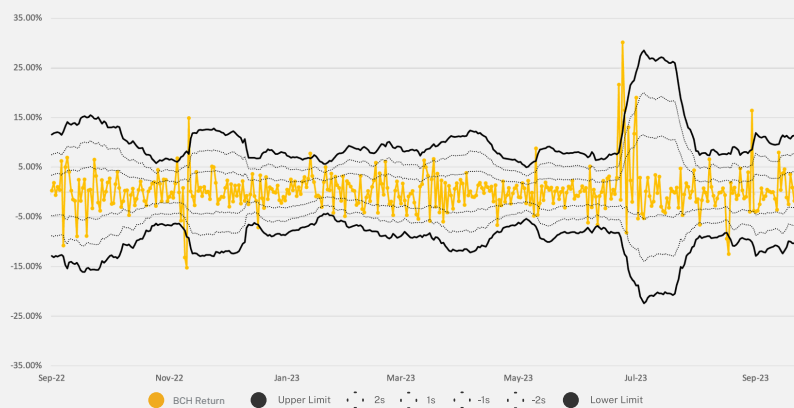
Risk factors

- A hard fork such as Bitcoin Cash results from a **divided community**, which can negatively affect the long-term development of the network.
- **Layer-2 solutions on top of Bitcoin**, such as the **Lightning Network**, process transactions "off-chain" much faster and with lower fees than Bitcoin's core blockchain, **undermining the utility of Bitcoin Cash**.

Figure 1:
Price Performance (5-years)



Figure 2:
BCH 1-Year Implied Daily Volatility



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