

Independent Reserve Cryptocurrency Index

IRCI Australia 2024

5th edition. February 2024

The IRCI is an annual report that examines Australian attitudes towards cryptocurrency, as well as their level of awareness, adoption, trust and confidence in the growing market. The IRCI is based on a panel of over 2,100 adult respondents from all walks of life.



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About the index

Now in its fifth year, the Independent Reserve Cryptocurrency Index (IRCI) 2024 is an annual cross-sectional survey of over 2,100 Australians conducted by PureProfile. It is a sample of everyday adult Australians, reflective of the gender, age and geographic distribution of the nation.

The index is a single rating out of 100 designed to reflect four key aspects of Australian attitudes towards cryptocurrency:

- Awareness
- Adoption
- Trust
- Confidence

IRCI 2024

The index moved from 45 in 2022 to 50 in 2024. The survey was postponed to early 2024 to capture the impact of the Bitcoin spot ETF, which was approved in January 2024.

The increase reflects increased awareness of crypto, higher adoption, more investors making a profit and an increase in the more immediate-term confidence with a rise in the number of people likely to invest in the next 12 months.

The modest increase in the index reflects both the optimism that's been created by Bitcoin's strong price performance and ETF approval but also the economic uncertainty caused by rising interest rates.

IRCI 2024 highlights and key stats

- 95% of Australians are aware of at least one cryptocurrency (p8)
- 25% of Australians view Bitcoin more favourably after the spot Bitcoin ETF approval (p10)
- 63% of crypto investors hold Bitcoin (p14)
- 27.5% of Australians own or owned crypto in the last 12 months (p17)
- 35% of crypto investors put \$500 or more per month into crypto (p19)
- 37% of Australian crypto investors report making a profit on their investments (p21)
- 15% of Australians wanted to invest in crypto but weren't able to, due to the economy (p25)
- 39% of Australians believe crypto will be widely accepted by people and businesses (p26)
- 69% of Australians consider Bitcoin to be money, a store of value or an investment asset (p28)

Foreword

2023 saw a seismic shift from crypto winter to a spring bloom. Since the previous IRCI survey, a palpable shift in sentiment has swept across the industry that has been fueled by Bitcoin.

Anticipation of the first Bitcoin spot ETFs triggered an early crypto spring as Bitcoin's value grew over 150% in 2023. Bitcoin propelled many investors into profitability, solidifying its position as the undisputed digital gold, and with the next Bitcoin halving approaching in April, 2024 promises to be a bullish year.

However, the IRCI data also illustrates the impact of the broader macroeconomic climate caused by excessive money printing, currency debasement and the challenges of the global economy post COVID-19. Locally, rising interest rates and cost-of-living pressures have bitten investors' portfolios, forcing sales and causing others to remain on the sidelines. Some of these headwinds may subside, with central banks hinting at lower interest rates in the coming year.

The regulatory scene is gaining traction locally, with the proposed mandatory Australian Financial Services Licences (AFSLs) for crypto exchanges. This landmark development promises to bring the industry greater confidence and certainty, paving the way for institutional investment and broader adoption.

Despite the challenges the crypto industry faced in 2023, such as the fallout from the FTX saga and the collapse of Signature Bank, this year's IRCI data demonstrates that Australians' interest and investment in crypto

remain high and continue to gain momentum. Overall, sentiment has demonstrably shifted, and we've entered a phase of renewed optimism and growth.

Finally, it's with great pleasure that we invite you to read our fifth annual IRCI. We are delighted that these insights yet again shine a light on an industry that continues to evolve and grow into the mainstream.

Adrian Przelozny

Group CEO

Independent Reserve



95%

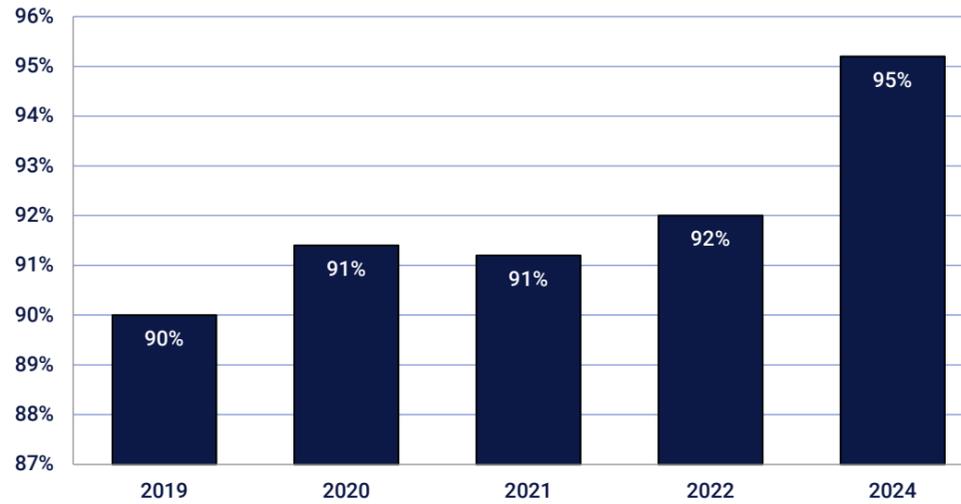
of Australians are aware of at least one cryptocurrency.

Awareness

General awareness of cryptocurrency among Australians has **reached a new high of 95%**, up from 92% in 2022. Over the last five years, awareness of cryptocurrencies has grown 5%.

The age group with the greatest awareness of crypto was those aged 35-44 (98.6%).

Crypto awareness among Australians 2019-2024



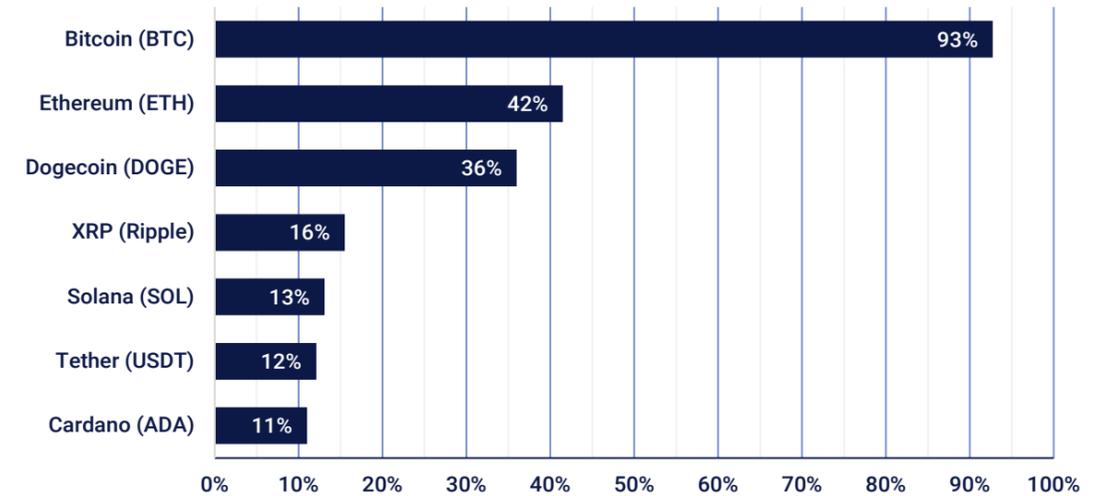
Bitcoin remains king

With 93% of respondents familiar with Bitcoin, it continues to be the most widely known digital asset. Since 2019, Australians' awareness of Bitcoin has grown from 87% to 93%.

Year-on-year awareness of major alternative cryptocurrencies has remained flat or slightly down. Ethereum continues to be the second most known cryptocurrency at 42%, followed by Dogecoin at 36%.

Bitcoin is the preferred cryptocurrency of 36% of Australians, up 12% points since 2019. 22% of Australians don't like any cryptocurrencies, down from 45% in 2019.

Most known cryptocurrencies in Australia



34%

of Australians are aware of the SEC approval of Bitcoin spot ETFs.

Bitcoin ETF sparks a fire in investors

In January 2024, 15 years after the first Bitcoin (Genesis) ¹ block was mined, the Securities and Exchange Commission (SEC) **approved the first eleven Bitcoin spot Exchange Traded Funds (ETFs)**².

This landmark decision granted the crypto industry long-sought-after validation and increased legitimacy, boosting investor confidence and paving the way for increased accessibility and institutional participation.

Institutional investors, long sidelined on the periphery, can now enter the market with secure and regulated access. The anticipated influx of tens of billions in fresh capital has the potential to fuel the entire ecosystem, potentially leading to greater market stability for major digital assets.

What is a Bitcoin spot ETF?

Spot Bitcoin ETFs offer investors access to Bitcoin through a more traditional investment channel. They hold physically-backed Bitcoin and trade on established stock exchanges, allowing investors to gain exposure to the price without having to manage cryptocurrency wallets or platforms.

Australians follow Bitcoin ETF news

Australians have been keenly following the Bitcoin spot ETF news, with 34% reporting they heard the news of the approval. **Younger Australians are the most in tune** with the news, with 42% of 18-24, and 44% of 25-34 year-olds aware of the ETF approval.

Unsurprisingly, 57% of crypto investors in Australia are aware of the approval.

¹ The Genesis Block: The First Bitcoin Block <https://www.coindesk.com/learn/the-genesis-block/>
² Bitcoin ETFs have been approved by the SEC. So how do they work? <https://www.afr.com/markets/currencies/bitcoin-etfs-have-been-approved-by-the-sec-so-how-do-they-work-20240109-p5evzv>

Australians' perception of Bitcoin improves

The approval of the Bitcoin ETFs has lifted Australians' perception of Bitcoin, with **25% of Australians saying they view Bitcoin more favourably** following the ETF approval.

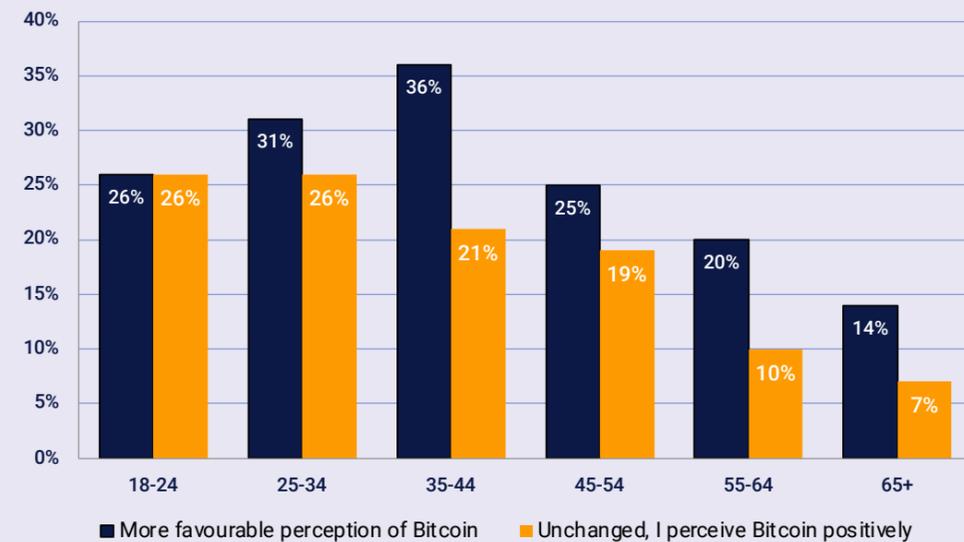
25%

of Australians view Bitcoin more favourably post ETF approval.

Older generations warm to Bitcoin

An interesting shift in perception is observed among older Australians. Of those 55 years and older, post-ETF approval, twice as many respondents said they had a "more favourable perception of Bitcoin" than those with an unchanged but positive view of Bitcoin.

Increased favourability versus existing positive view



24% of Australians continue to view Bitcoin negatively despite the ETF approvals, with a further 29% remaining neutral. Although many older Australians warmed to Bitcoin, more than 32% of those aged 55+ continue to view Bitcoin negatively.

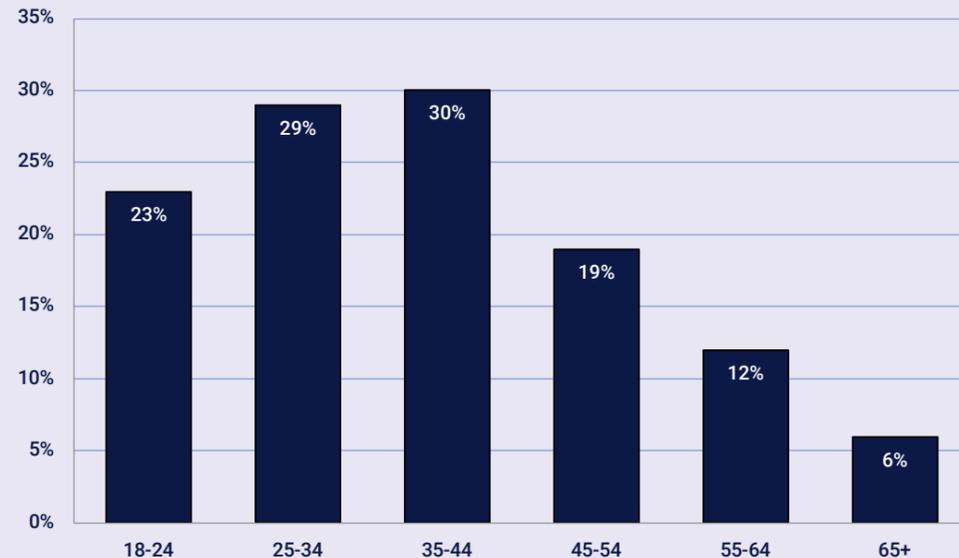
19%

of Australians would invest in a Bitcoin spot ETF if it was available on the ASX.

Australians want a Bitcoin spot ETF on the ASX

The Australian Securities Exchange (ASX) is predicted to approve an ETF linked to the price of Bitcoin in the first half of 2024³, and Australians have a strong appetite for it. When asked if they would invest in a Bitcoin spot ETF if it were available on the ASX, 19% said yes.

Percentage of Australians who would invest in an ASX-listed Bitcoin ETF by age



Appetite for Bitcoin exposure via super

34% of respondents with a self-managed superannuation fund (SMSF) said they were likely to invest in Bitcoin via their SMSF. They were evenly split on how they would like to gain exposure to Bitcoin, with 17% preferring to invest through an ETF and the other 17% preferring to use a cryptocurrency exchange.

Of the Australians in a retail super fund, 13% would like to have exposure to Bitcoin through their super fund. 50% said they wouldn't want exposure to Bitcoin, and 37% were on the fence.

³ Bitcoin ETFs line up for ASX listing
<https://www.afr.com/companies/financial-services/bitcoin-etfs-line-up-for-asx-listing-despite-market-caution-on-crypto-20240108-p5evvf>

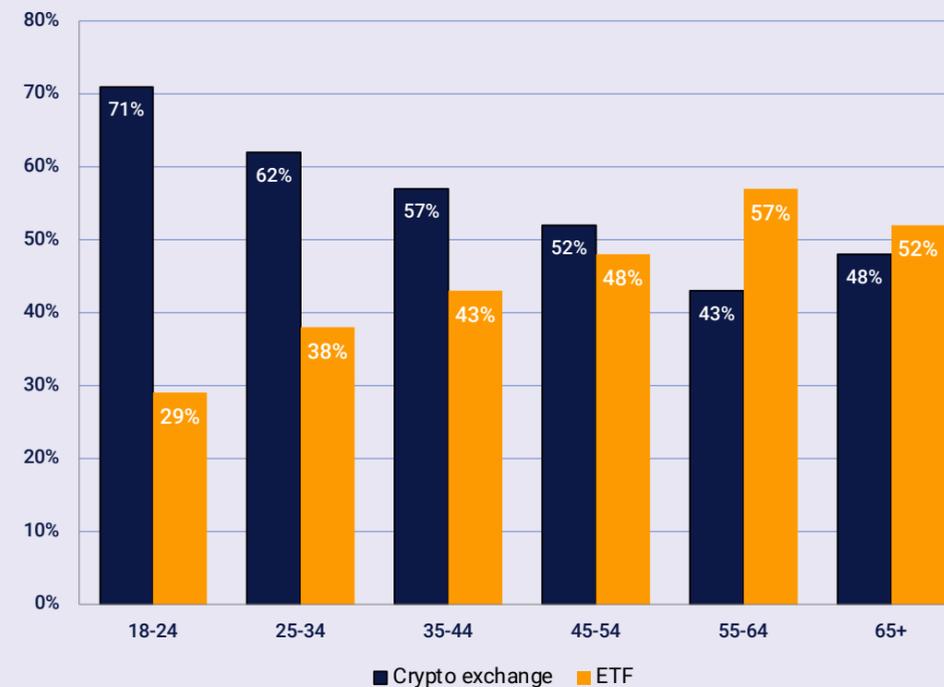
Investing via crypto exchanges versus Bitcoin ETF

55% of Australians said they would prefer to invest in Bitcoin using a crypto exchange and 45% preferred to invest via an ETF.

A closer look at the data shows younger Australians are drawn toward direct ownership via a crypto exchange, while older respondents prefer to invest via an ETF.

Existing crypto investors heavily preferred crypto exchanges (77.5%) compared to non-crypto investors (46%). This is particularly true of investors that have been in the market for over six years (86%).

Crypto exchange versus ETF preferences by age



55%

of Australians would prefer to invest in crypto via a crypto exchange rather than an ETF.

156%

Increase in the price of Bitcoin in 2023

2024 - the year of the Bitcoin

Defying the broader economic downturn, Bitcoin rallied to finish up 156% in 2023, soaring from ~A\$24,000 to finish the year at A\$62,380. This remarkable rally, fueled by anticipation of the upcoming halving and ETF approvals, suggests a renewed sense of optimism for the digital asset.

Bitcoin halving 2024: Will history repeat itself?

Occurring approximately every four years, the “halving” is an event where Bitcoin miner rewards are halved⁴. It has historically acted as a catalyst for a crypto bull market.

Following the 2016 halving, Bitcoin experienced a staggering 10-fold increase in value. Even in the turbulent economic climate of 2020, the halving spurred Bitcoin’s price from A\$13,000 (US\$9,100) to a high of A\$93,000 (US\$68,500). While past performance does not guarantee future results, these historical events prompt the question: will Bitcoin climb toward even greater highs in 2024?

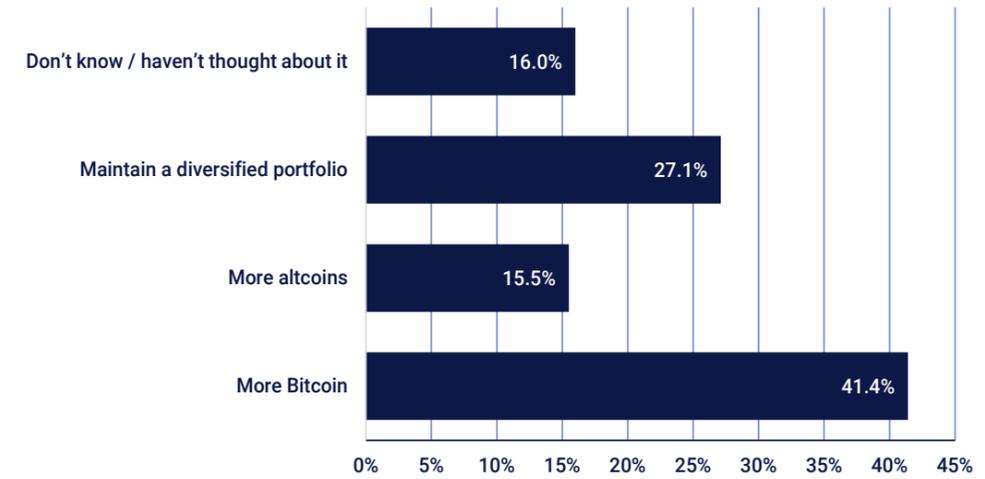
Post-Bitcoin halving allocation

Australian crypto investors’ sights are firmly set on Bitcoin as the April halving approaches, with 41.4% planning to double down on Bitcoin over the next year. This is compared to 15.5% looking to seek larger gains in altcoins and 27.1% sticking to a diversified portfolio.

41.4%

of Australian crypto investors plan to only invest in Bitcoin in 2024.

Investors’ plans for the next 12 months



Bitcoin is the first choice

When it comes to awareness, ownership and crypto preference, Bitcoin remains the first choice for the majority of Australians.

Bitcoin by the numbers

95%

of Australians have heard of Bitcoin.

63%

of crypto investors hold Bitcoin.

41%

of crypto investors plan to buy only Bitcoin in the next 12 months.

52%

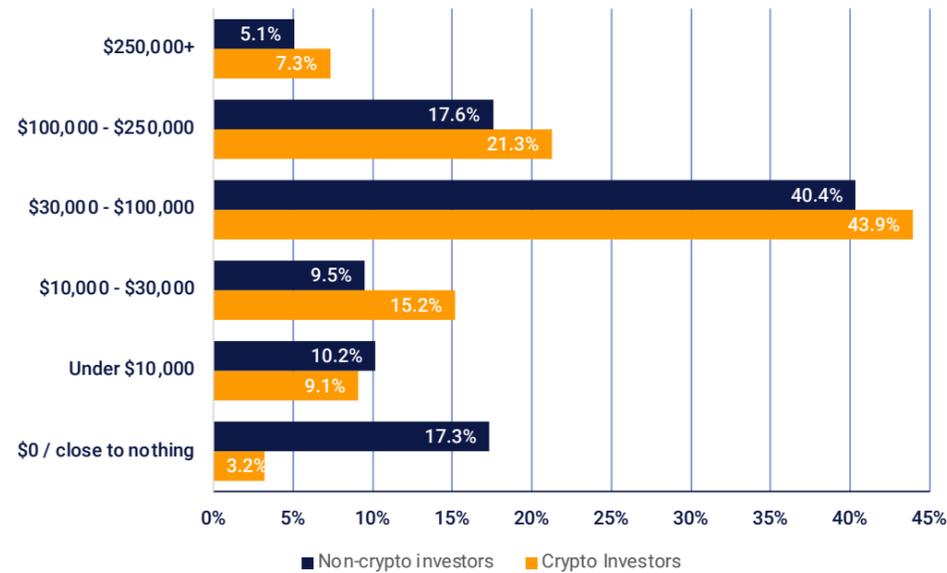
of crypto investors prefer Bitcoin over other digital assets.

⁴ Bitcoin Halving: How it works and Why it matters
<https://cointelegraph.com/learn/bitcoin-halving-how-does-the-halving-cycle-work-and-why-does-it-matter>

2030 Bitcoin price predictions

Crypto investors are looking to 2030 with optimism, with nearly half (44%) predicting a \$30,000-\$100,000 price range, compared to 40% of non-crypto investors that share the same view. **28.5% of crypto investors believe Bitcoin will be worth \$100,000+**, compared to 12.3% of non-crypto investors.

2030 Bitcoin price predictions



Adoption

Cryptocurrency adoption is one of the more influential metrics of the IRCI as it reflects Australians' confidence to invest in cryptocurrency as an asset class.

After a drop during the bear market from 28.8% to 25.6% in 2022, Australian crypto ownership has increased to **27.5% in 2024**. In 2019, ownership was just 16.8%.

27.5%

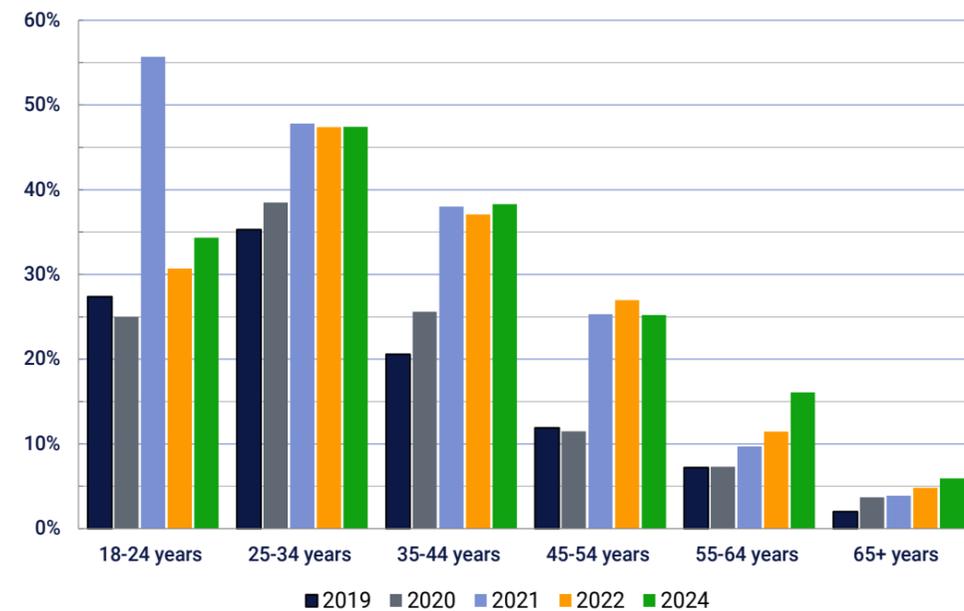
of Australians currently own or have owned cryptocurrency in the last 12 months.

Five years of growth among over 55s

Since 2019, crypto ownership among the 55+ age group has grown steadily. Crypto ownership among 55-64 year-olds more than doubled from 7% in 2019 to 16% in 2024. Meanwhile, ownership among the 65+ age group has grown from 2% in 2019 to 6% in 2024.

The 25-34 segment remains the **most likely to own crypto at 47.4%**.

Crypto ownership by age 2019-2024



67%

of investors aged 65+ hold Bitcoin.

Bitcoin remains the go-to asset

Bitcoin remains a favourite among crypto investors, with 63% ownership, and Ethereum remains a solid second at 35%. Aside from Tether (USDT), Australians are holding less of the major altcoins.

Crypto holding of Australian investors

Current crypto holdings	2019	2020	2021	2022	2024
Bitcoin (BTC)	88%	74%	73%	63%	63%
Ethereum (ETH)	29%	27%	38%	38%	35%
XRP (Ripple)	30%	28%	20%	19%	18%
Cardano (ADA)			20%	17%	15%
Tether (USDT)			6%	6%	10%
Solana (SOL)			8%	12%	9%
Dogecoin (DOGE)			18%	13%	13%
Yes, other coins/tokens	15%	9%	14%	16%	10%

Demographic differences

There are notable differences between demographics when it comes to which cryptocurrencies investors hold. A similar proportion of men and women invest in Bitcoin, at 62% and 65%, respectively. However, 38% of women hold Ethereum, compared to 30% of men.

67% of investors aged 65+ hold Bitcoin, compared to 59% of those aged 18-24. Gen-Z was the most bullish in altcoins such as XRP (21%), USDT (15%) and Solana (13%). Conversely, those aged 65+ were the least likely to own those altcoins.

Those aged 25-34 were the most likely to own Ethereum and Dogecoin, at 39% and 16%, respectively.

How much do Australians invest in crypto?

In line with the broader economic downturn, some investors have paused or scaled back their crypto investment activity. Notably, the proportion of investors contributing \$0 per month has steadily increased across 2021, 2022, and 2023.

Monthly investment in digital assets

	2021	2022	2024
\$0	8.1%	14.8%	17.4%
\$1 to \$100	32.5%	26.5%	27.9%
\$100 to \$500	23.8%	20.6%	19.2%
\$500 to \$1000	11.9%	10.3%	13.6%
\$1000 to \$10,000	8.3%	5.8%	7.6%
\$10,000+	1.2%	1.2%	1.5%
Ad hoc / mixed amounts	14.7%	20.8%	12.7%

Retirees cut back due to cost of living pressures

Despite crypto ownership increasing from 4.8% to 5.8% amongst over 65s, this age group has cut back regular crypto investing, with 50% of 65+-year-old crypto investors saying they invest \$0 per month (up from 35% in 2022). Another 25% said they only invest between \$1 and \$100 per month, up from 15% in 2022. This cutback could be partly explained by rising living costs, **which has negatively impacted 67% of crypto investors over the age of 65.**

Gen Z increases their stake

18-24 year-olds have significantly increased their regular monthly investment in cryptocurrency, with the **biggest increase in the \$500 to \$1,000 per month category**, rising from 4% in 2022 to 21% in 2024.



Crypto profits begin to climb back up

Year on year, the number of Australians reporting to make a profit on their crypto investments has increased from 29% to 37%. 36% reported that they're breaking even, up 6% points. However, profitability is still 13% lower than during the bull market of 2021, where 60% reported making a profit and only 11% making a loss.

37%

of Australian crypto investors report making a profit.

	2019	2020	2021	2022	2024
Increased value/made money	45%	43%	60%	29%	37%
Breaking even	36%	36%	29%	30%	36%
Lost value/lost money	19%	22%	11%	41%	27%

Time is money: patience rewarded in crypto

The 2024 IRCI data reveals a clear correlation between time in market and profitability, with 39% of those who held their crypto investments for less than a year making a loss. The tide starts to turn for those patient enough to hold for three to five years, with 43% of investors reporting a profit, while those who made losses dropped to 28%. This trend towards profitability continues as the time horizon expands. **Over 50% of investors who have been in the market for over six years report making a profit, and over 30% break even.**

This data suggests that while short-term volatility is inherent to the crypto landscape, adopting a long-term perspective can be a wise strategy.

Profitability over time

	Increased value/ made money	Breaking even	Lost value/ Lost money
Less than one	25%	36%	39%
1-2 years	34%	41%	26%
3-5 years	43%	30%	28%
6-10 years	54%	36%	11%
More than 10 years	60%	20%	20%

5%

of Australian crypto holders, used it to buy goods and services.

Why Australians invest in crypto

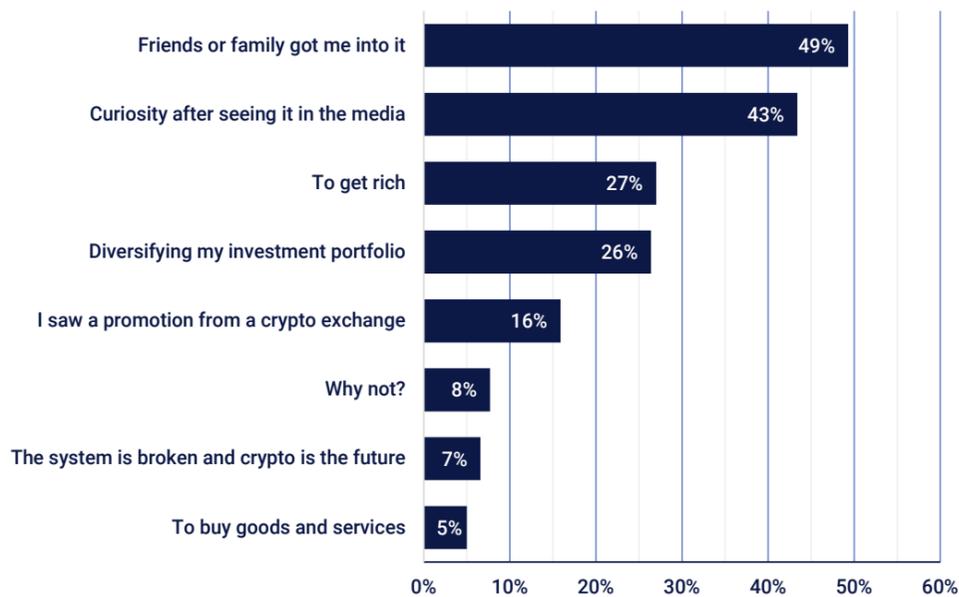
Friends, media and building wealth

Friends and family remain the leading motivators for Australians entering the crypto market (consistently around 49%), and interest piqued by media holds steady at around 43%.

Notably, those who decided to invest in crypto **“to get rich” rose from 21.6% in 2022 to 27%**, possibly reflecting the volatile but ultimately positive price movements of Bitcoin through 2023. Investment portfolio diversification remains a key driver at 26.4%.

Overall, the data paints a picture of a market driven by a mixture of social influence, curiosity, and the potential for significant returns.

Factors influencing why Australians invest in crypto



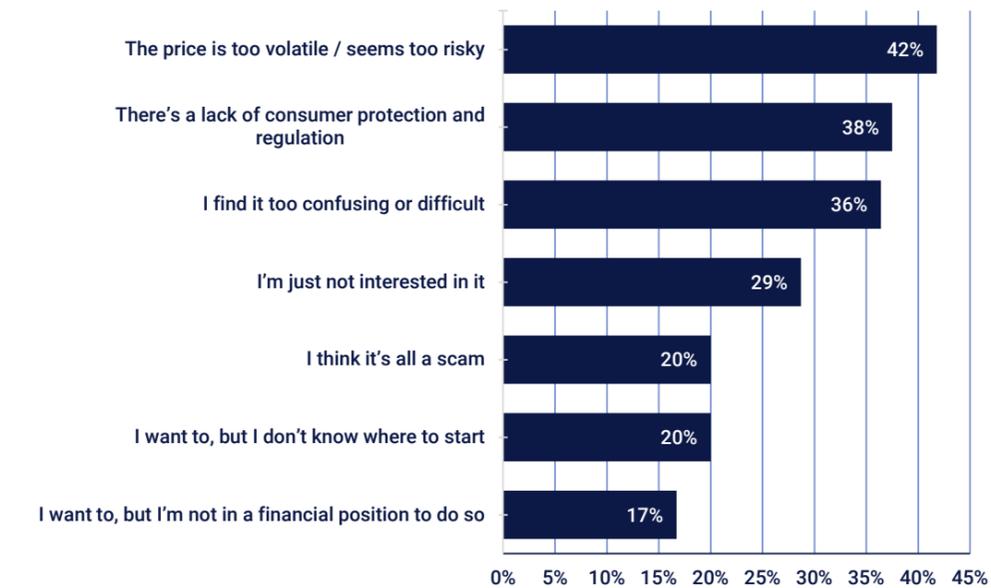
Why Australians don't invest in crypto

Price volatility and risk aversion remain the top reasons for Australians choosing not to invest in crypto (42%, down 6% points), followed by a lack of consumer protection and regulation (38%).

Despite this, those still on the sidelines continue to have a **strong desire to get into crypto**, but are hampered by financial circumstances and education. 17% of respondents said they wanted to invest in crypto but were not in a financial position to do so, and 20% said they wanted to buy in but didn't know where to start. The desire to enter the crypto market is more prevalent among younger Australians (18-44).

Overall, 29% of respondents said they were just not interested in crypto (down 6% points), with 44% of respondents aged over 65 showing no interest in crypto.

Influences on why Australians do not invest in crypto



20%

of Australian that don't hold crypto, want to invest, but don't know where to start.



Economic uncertainty impacts crypto adoption

Over the last 12 months, interest rates and inflation have increased dramatically, driving up the cost of living for all Australians. The uncertainty of the economic environment, both globally and locally, has unsettled investment markets, including crypto investors.

Whilst respondents cited many reasons for not investing in crypto in 2023, 16.7% (14.2% in 2022) said they wanted to but were not in a financial position to do so. 15.3% said they planned to invest in crypto but chose not to because they were **impacted negatively by the economy or because of economic uncertainty**.

The 35-44-year-old age group were negatively impacted by the economy and economic uncertainty the most, with 19.6% of respondents citing this as a primary reason for not investing in crypto during 2023.

Selling out to cope with rising cost of living

18% of crypto investors said they're thinking of partially selling their crypto portfolio to cope with the increased cost of living and rising interest rates, while another 6% said they were planning to sell their entire crypto portfolio to help with the rising costs.

Women and young adults most impacted

A quarter (25.2%) of young people aged between 18-24 years old said they wished to invest in digital assets but were not in a financial position to do so, and a further 11.4% said the economic uncertainty prevented them from investing in crypto, and another 6% said that they had been negatively impacted by the economy which resulted in them not investing.

At the same time, 18.9% of women said they wanted to invest in crypto but were not in a financial position to do so (up from 16.6% in 2022).

8% of respondents said they invested in cryptocurrencies despite being negatively impacted by the economy.

15.3%

of Australians who don't own crypto wanted to invest but couldn't because of the economy.

Confidence

Crypto is here to stay, say the young and investors

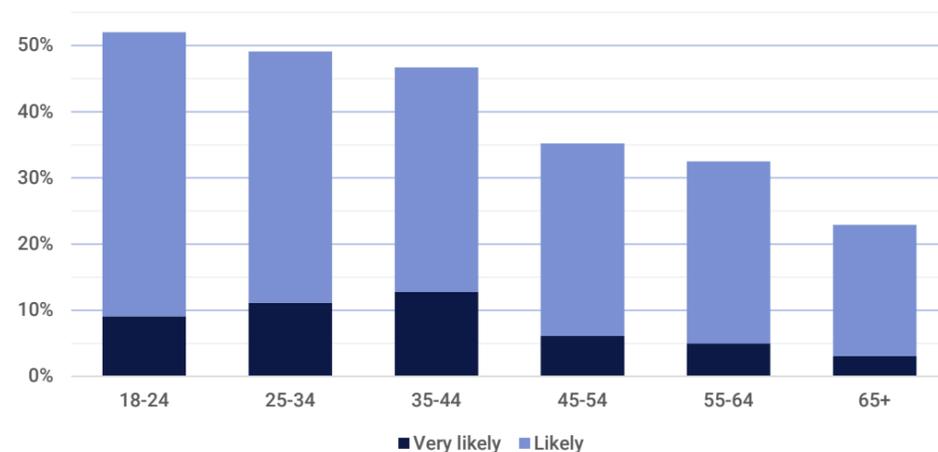
Unsurprisingly, cryptocurrency holders and investors are the most optimistic about the future of crypto, with 62% believing crypto will be widely accepted by businesses and everyday people, versus 20% who believe otherwise.

Cryptocurrency investors who have made a profit on their investment are the most optimistic about the future; with 77% believing crypto will be widely accepted and only 12% believing the contrary. However, profiteering investors are by no means the most optimistic. When asked about their motivations for investing in crypto, 88% of those who invested in crypto because they believe “the system is broken”, also believe that crypto will be widely accepted in the future.

More generally, half (50%) of all surveyed Australians under the age of 35 also believe that crypto will be widely accepted.

Overall, 39% of Australians believe it is likely that cryptocurrencies will become widely accepted by businesses and everyday people (up from 37% in 2022). 32% of Australians don't believe crypto will be widely accepted, while 29% of Australians are on the fence.

Will crypto be widely accepted in the future? (by age)



39%

of Australians believe crypto will be widely accepted by people and businesses.

Bitcoin price predictions

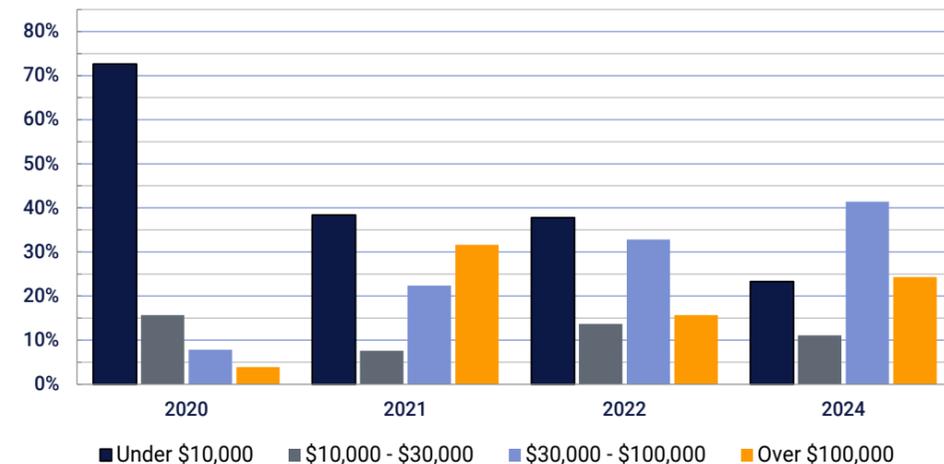
Brighter days for Bitcoin

Australia's optimism when it comes to Bitcoin's future price has increased dramatically over time. In 2020, 73% of respondents predicted that the price of Bitcoin by 2030 would be under \$10,000. By 2024, the number dropped 50 percentage points to 23%.

Both crypto investors and non-crypto investors are increasingly optimistic about the price of Bitcoin by 2030. Crypto investors paint a slightly more optimistic picture, with 29% predicting a price range of over A\$100,000 compared with 23% of non-crypto investors.

Those who stated their motivation for investing in crypto was because “the system is broken” are by far the most bullish, with 54% believing Bitcoin's price will be over A\$100,000 by 2030.

Bitcoin price predictions: 2020-2024



\$100k+

29% of crypto investors believe Bitcoin will reach over A\$100,000 by 2030.

Trust

69%

of Australians consider Bitcoin to be money, a store of value or an investment asset.

What do Australians consider Bitcoin to be?

Less cynicism and more understanding

Bitcoin continues to be perceived more positively, with fewer people considering it to be a scam. 69% of Australians consider Bitcoin to be either money, a store of value or an investment asset, up from 62.8% in 2022.

Since 2019, there has been a clear downward trend in the number of people who consider Bitcoin a scam (14.1% down 6% points). The number of respondents with **no opinion on Bitcoin is 16.9%, down from 30.6% in 2019.**

Year-on-year change in perception of Bitcoin

- **Money: 14%** (up from 11.6%)
- **Store of value/digital gold: 25.2%** (up from 22.5%)
- **Investment asset: 29.8%** (up from 28.7%)
- **Scam: 14.1%** (down from 16.5%)
- **Don't know/haven't thought about it: 16.9%** (down from 20.7%)

There's a clear divide between younger and older generations when it comes to perceptions of Bitcoin. While nearly 82% of 18-24-year-olds consider Bitcoin to be either money, a store of value or an investment asset, the majority of those over 65 (52.4%) either have no opinion (31.8%) or consider it to be a scam (20.6%).

Generational differences in the perception of Bitcoin

	18-24	25-34	35-44	45-54	55-64	65+
Money	19%	19%	14%	13%	11%	10%
Store of value / Digital gold	26%	27%	30%	27%	23%	20%
Investment asset	37%	33%	36%	29%	30%	18%
Scam	9%	10%	12%	14%	17%	21%
Don't know / haven't thought about it	9%	11%	9%	17%	20%	32%

More education, regulation and protections are required

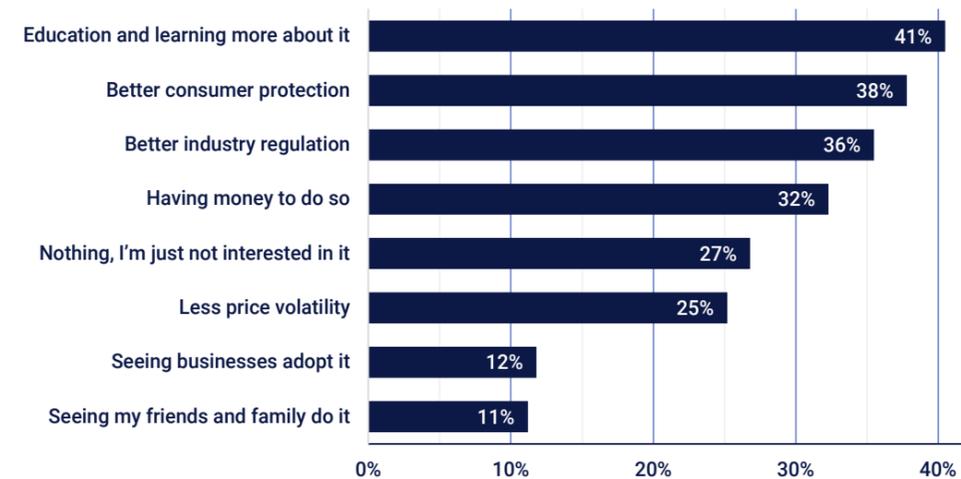
For Australians who haven't invested in cryptocurrencies, the factors preventing them entering the market are more education (41%, up from 35% in 2022), regulation (36%, up 32% in 2022), and better consumer protection (38%, up from 33% in 2022).

Not shutting the door on crypto

Interestingly, only 29% of respondents who haven't invested in crypto said they're not at all interested, down from 35% in 2022. For those aged 18-24, that number is only 22%, and it steadily climbs to 44% for those aged over 65. This is a strong indication that more Australians are increasingly open to crypto, providing certain criteria are met.

Reflecting the higher interest rate environment and increasing cost of living, 32% of respondents said they'd be more likely to invest in crypto if they had the money to do so, up from 27% in 2022.

What would make Australians more likely to invest in cryptocurrency?



41%

of Australians want more education before investing in crypto.



Media enquiries

For media enquiries, please contact
media@independentreserve.com.



Australia's trusted cryptocurrency exchange

www.independentreserve.com/au