



2021 Crypto Charts of the Year

Here's a look at crypto charts from
2021 that tell the stories of the year.

The Rise Of NFTs

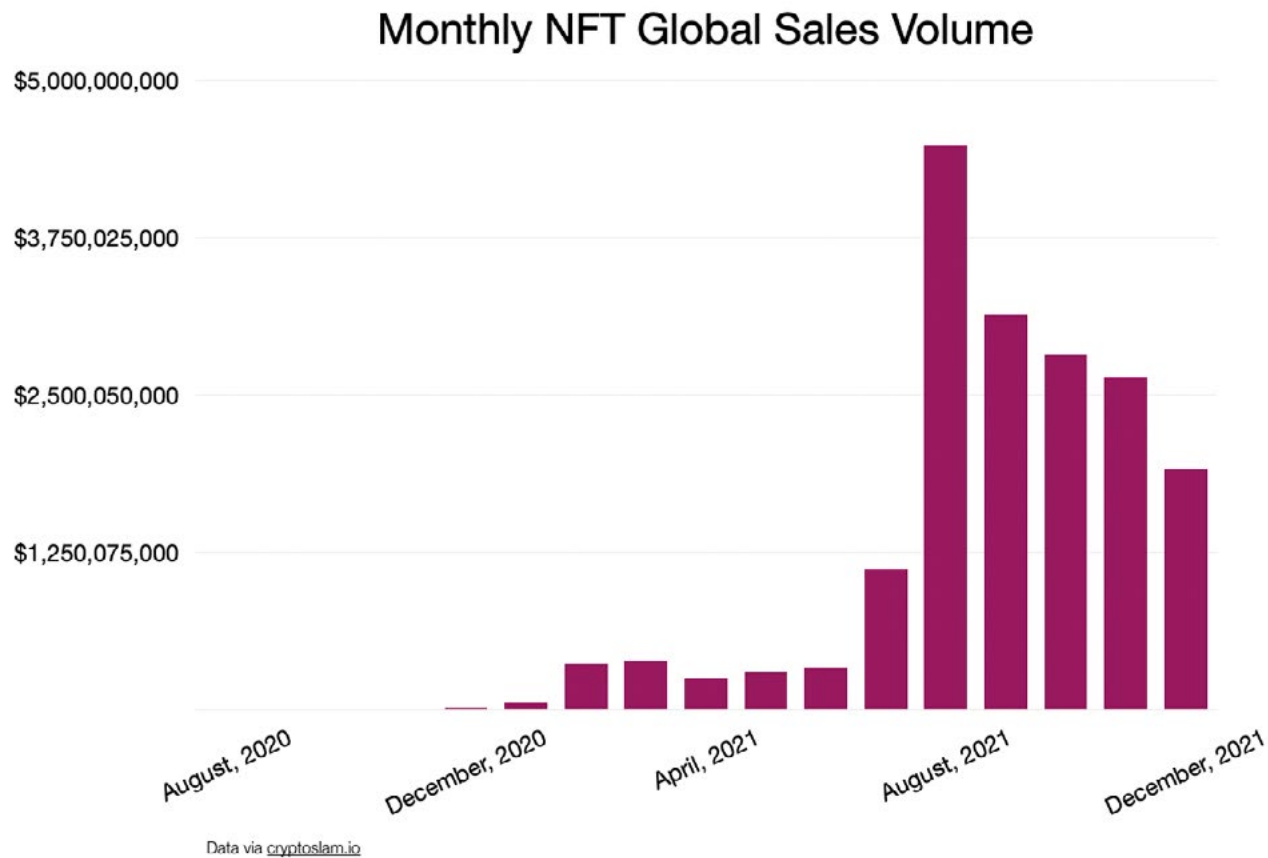
In 2021, NFT sales topped \$10B, a 30 fold increase over 2020.

On March 11, Beeple sold **Everydays - The First 5000 Days** for \$69M at a Christie's auction. We might look back and say that was the NFT big bang.

It was an epic summer as NFT sales eclipsed \$4B in August alone and consolidated.

No wonder **Collins Dictionary** declared **"NFT" Word of the Year**.

Here's a list of the largest NFT sales to date and here's a chart of monthly NFT sales volume:



Gaming NFTs Also Went Parabolic

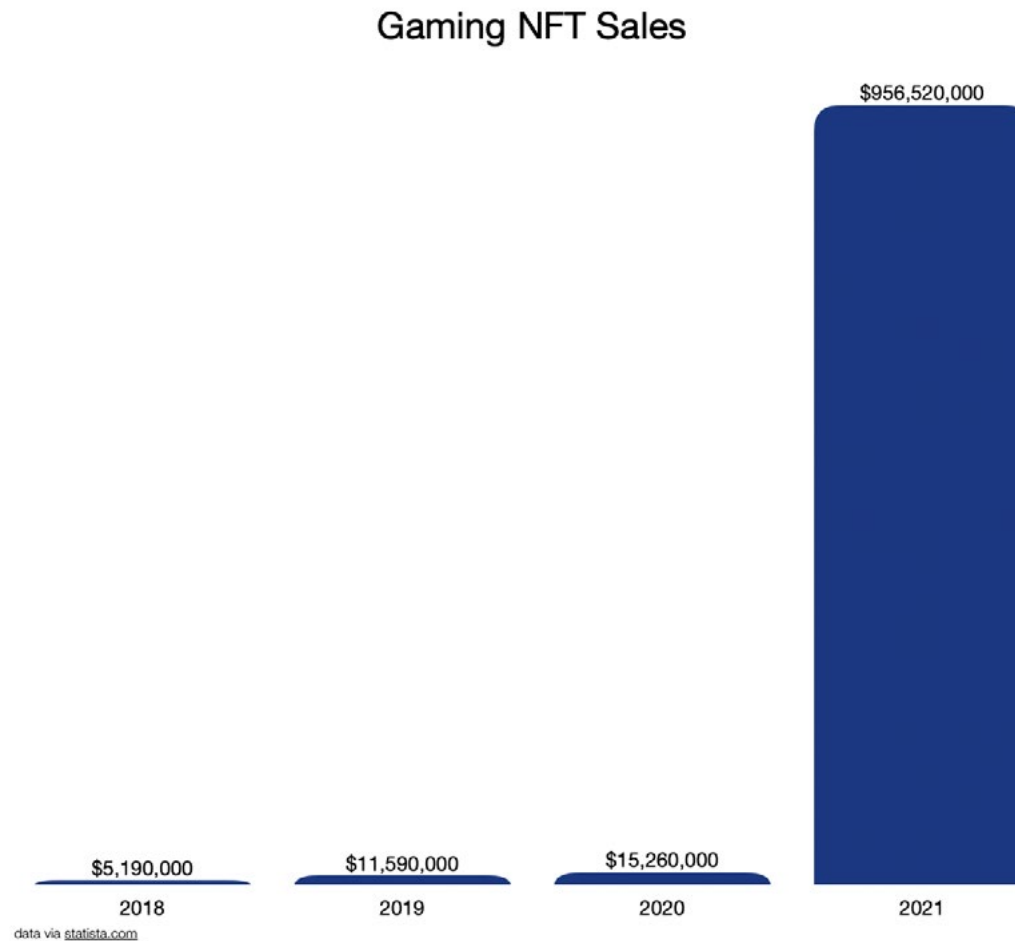
Play-to-earn gaming grew exponentially in 2021.

Gaming NFT sales increased 62 fold from the previous record year in 2020 finishing just shy of \$1B.

Axie Infinity, one of the most notable play-to-earn games, reported nearly 2M daily users in August.

Web3 could be a gamer's paradise.

Here's the annual Gaming NFT Sales chart:

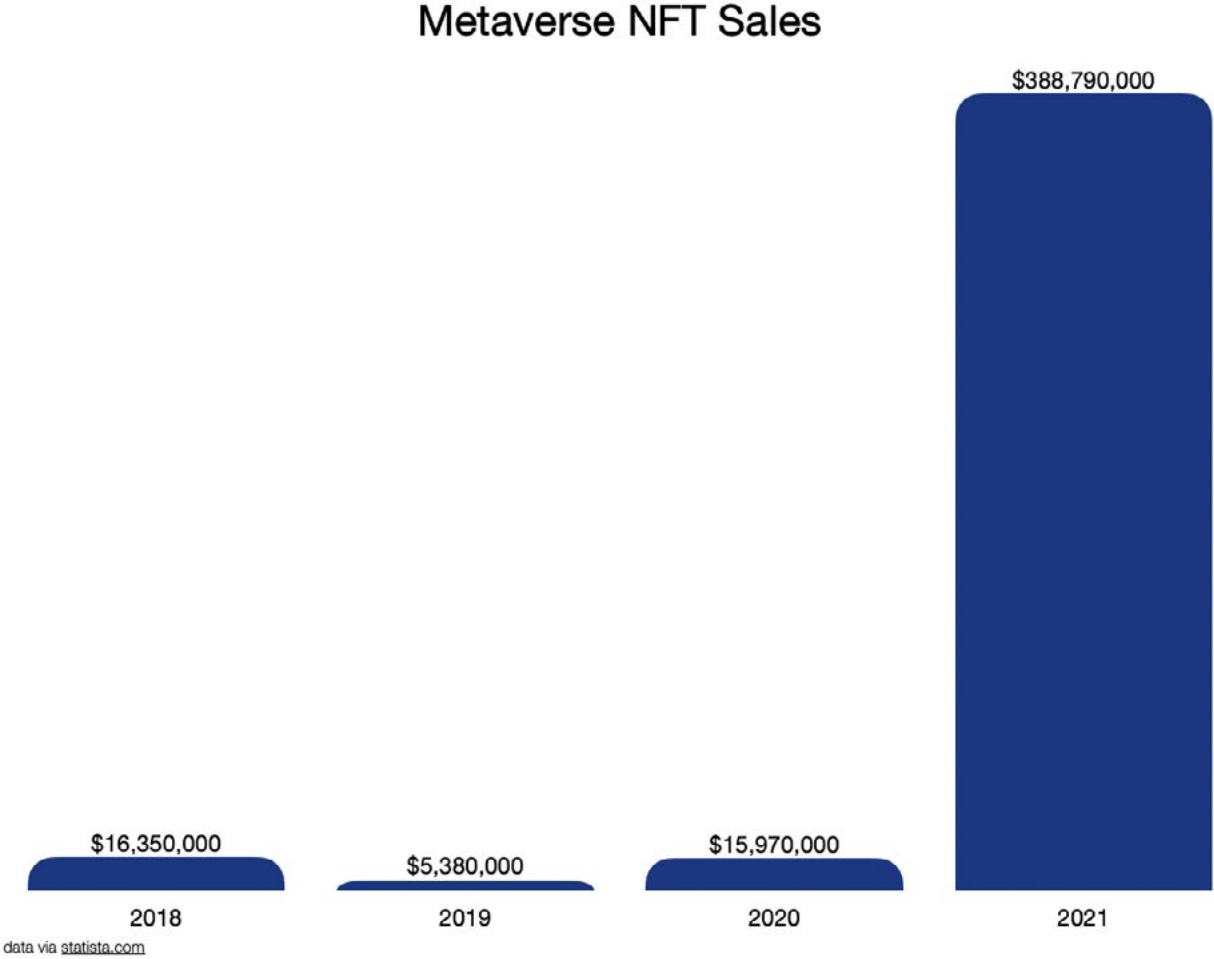


Mega Sales in the Metaverse

Metaverse NFT sales also surged.

A 6,000-square-foot virtual estate in Decentraland's Fashion District sold for \$2.4M. It will be developed to stage fashion shows.

Here's the annual Metaverse NFT Sales chart. Incredible.



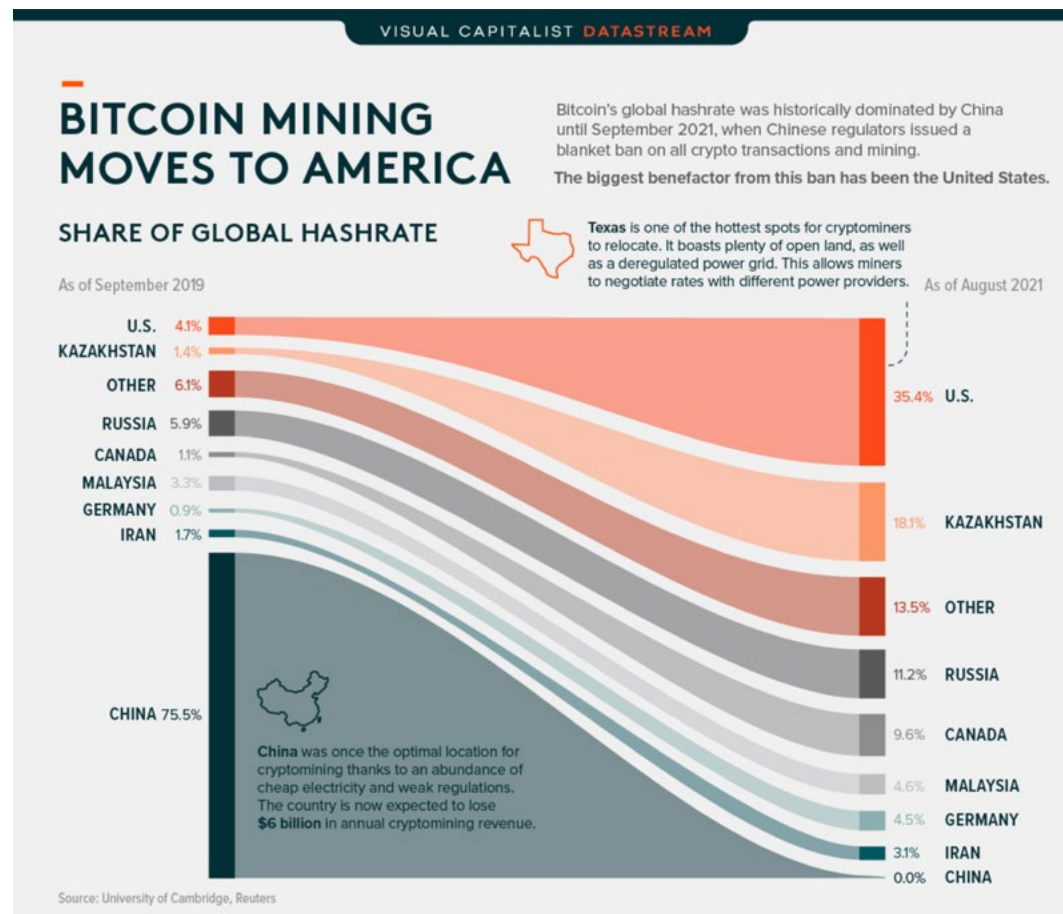
China and the Bitcoin Mining Migration

China banned Bitcoin mining in waves over the course of 2021. While the story picked up momentum in the US in September, Reuters and other global news services were **reporting on it as early as June**.

China went from mining two-thirds of the world's Bitcoin in April to almost nothing.

But other nations picked up the slack, most notably the US and Kazakhstan.

Here's a beautiful graphic showing the distribution of Bitcoin miners by country from September 2019 (left) through August 2021 (right) via **Visual Capitalist**.



The Hash Rate

As the China mining ban unfolded, the Bitcoin Hash Rate crashed during the summer of 2021.

The Bitcoin Hash Rate measures the processing power of the Bitcoin network over time and reflects the stability and security of the network.

The crash was precipitated by the China Mining Ban as Chinese Miners accounted for more than half of the global hash rate.

The **Glassnode chart** below visualizes the summer crash as well as the recovery speaking to the resilience of the network.

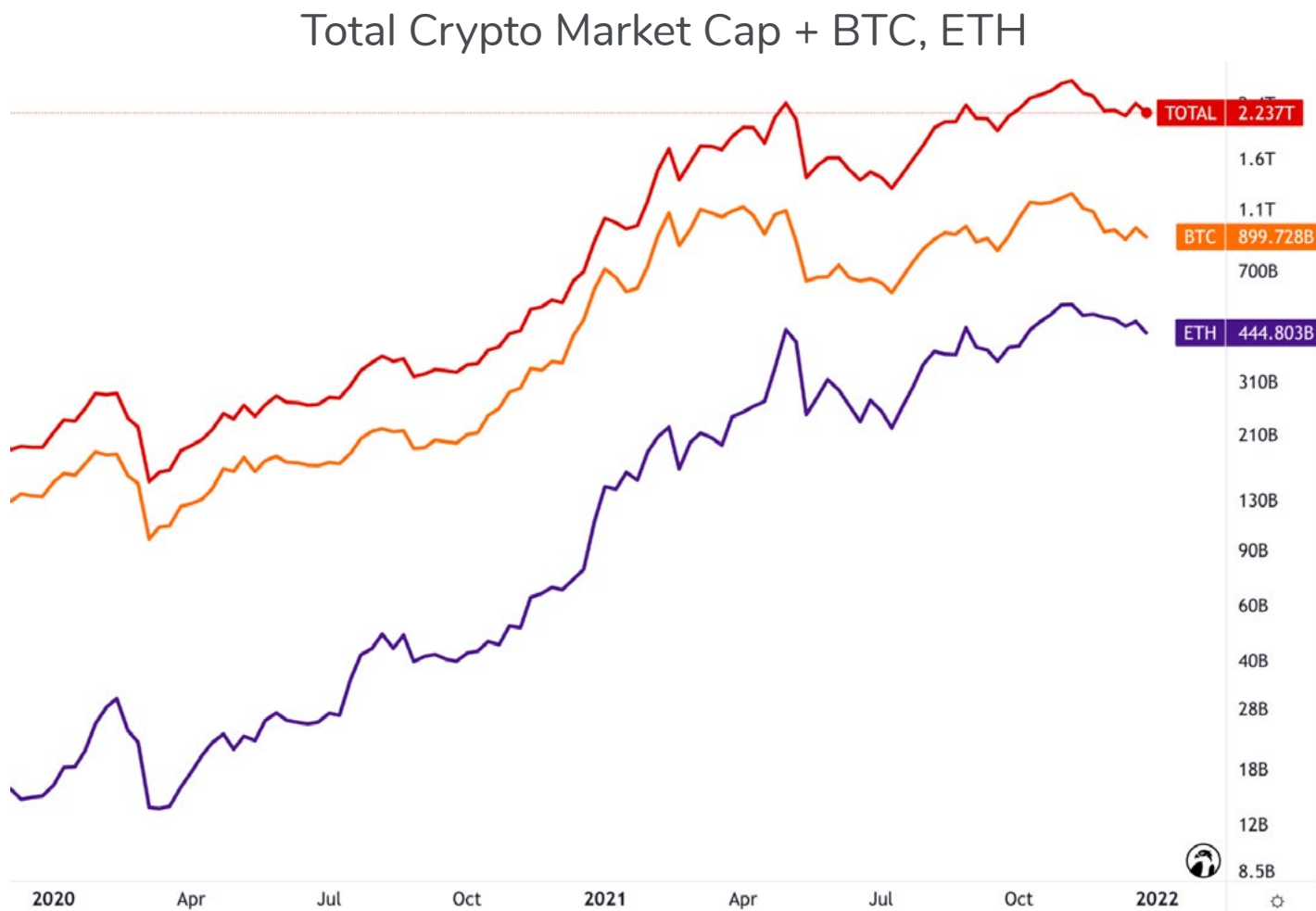


Total Crypto Market Cap Tops \$2 Trillion

The total crypto market cap cleared \$2T in 2021 led by Bitcoin and Ethereum.

The Bitcoin market cap grew 64% to \$900B while the Ethereum market cap grew 430% to \$440B.

That's a lot of tacos.



(The log chart above features the total crypto market cap in red, Bitcoin's market cap in orange, and Ethereum in purple.)



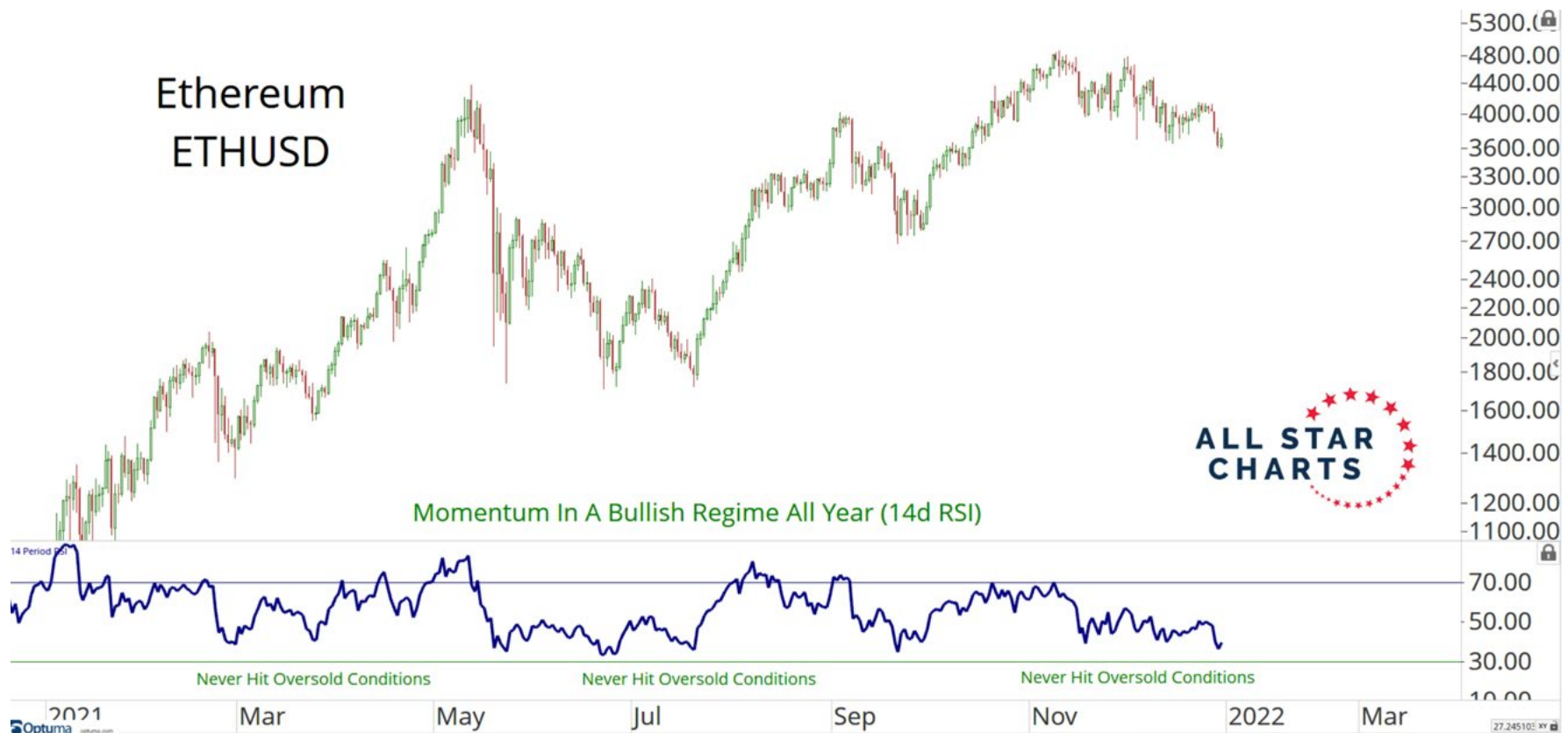
Strength In Ethereum

Ethereum advanced 418% as it climbed from \$740 to \$3,800.

It ticked an all-time high of \$4,868 on November 10th and has traded sideways since.

Ace technician and All Star Charts founder, J.C. Parets highlights Ethereum's strong momentum **stating**,
Ethereum remained in a bullish regime all year. It never hit oversold conditions in 2021. Bitcoin can't make that claim.

Check out the daily chart:



Bitcoin Dominance Fades

Bitcoin's dominance relative to the total crypto market faded to its lowest level since 2018.

At the beginning of 2021, Bitcoin accounted for 70% of the total market cap of all crypto. By the end of 2021, Bitcoin accounted for only 40% of the total.

So Bitcoin's dominance diminished a lot relative to the broader ecosystem.

However, the market cap of Bitcoin increased by 64% during 2021.

So the takeaway here is not that Bitcoin is waning. The takeaway is that the broader crypto ecosystem is growing faster than the Bitcoin benchmark.

The following chart visualizes Bitcoin's market cap relative to the total crypto market.

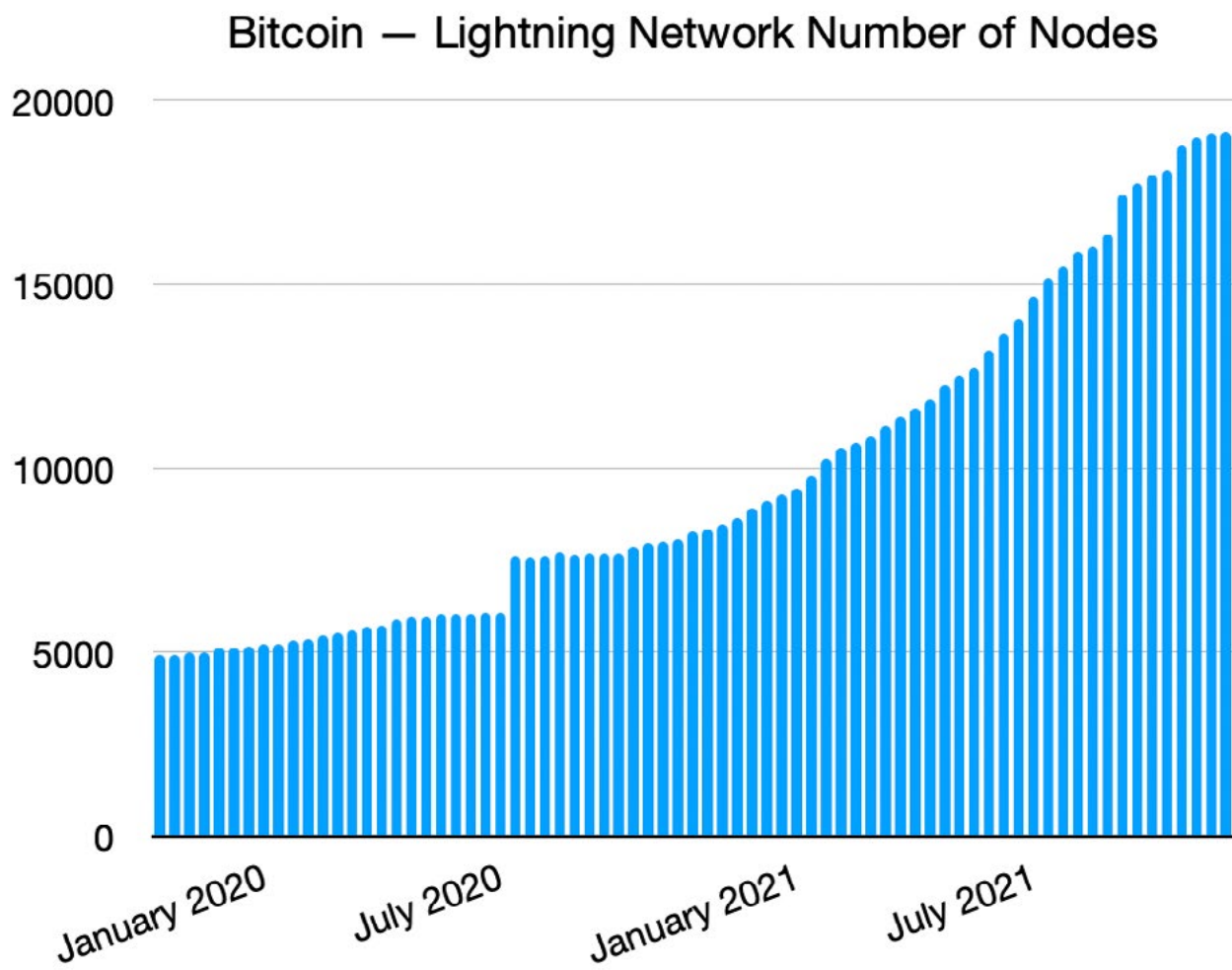


The Lightning Network

The Lightning Network, a layer-2 payment scaling solution built on top of Bitcoin, was electric.

The network opened 2021 with 8,321 nodes and closed with over 19,000 nodes on the network.

Here's a chart highlighting the steady growth:



And in case you missed it, we wrote about the growth of the Lightning Network earlier this year. [See the post here.](#)



Institutions Have Entered The Chat

2021 was the year that institutions, venture capital, and large private investors allocated to crypto companies.

Here's a wonderful write-up via **The Block**,

Crypto companies secured \$25.1B in private investment across 1,703 total deals. Compared to 2020, there was roughly a 126% increase YOY in the number of deals and a 719% increase YOY in total funding.

This year, there was more private investment allocated to crypto companies than the previous six years combined.

We love to see it.

And here's the **money chart from The Block** showing annual venture and private investment into crypto and blockchain sub verticals:

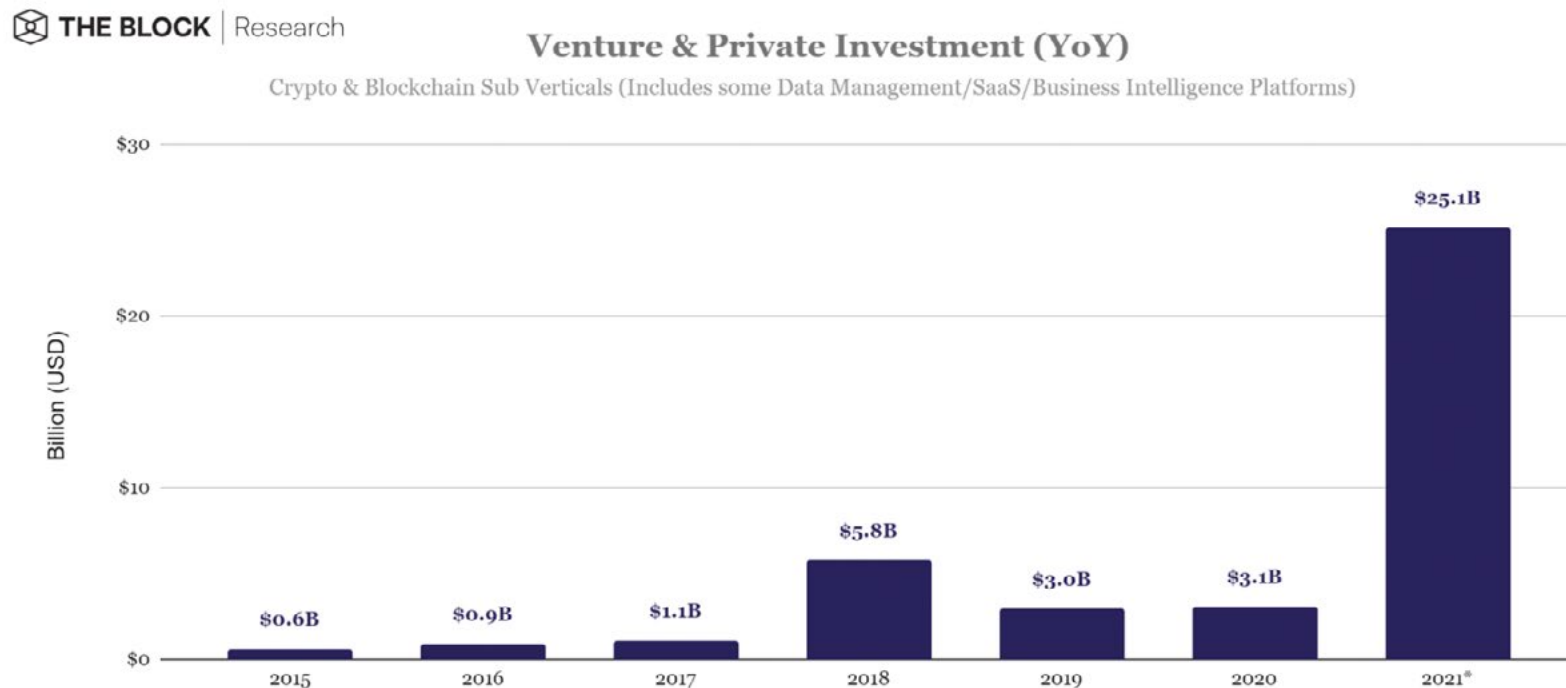


Figure 27: Yearly Venture & private investment 2015-2021
Source: Crunchbase, Dove Metrics, Pitchbook, The Block Research



Bitcoin Weekly

Here's the Bitcoin weekly chart from late-2017 to the present. (2021 is highlighted in blue). Bitcoin increased by 62% in 2021 after gaining 304% in 2020.

Bitcoin Weekly



Solana Weekly

Solana surged over 9,000% in 2021. It amassed a \$50B market cap and moved into the top 5 tokens by this measure.

Solana Weekly



Solana: Speed and Scale for the 21st Century

Looking for long exposure to Solana? [Click here for more info on our Solana Trust](#) and check out our recent [Solana lightpaper here](#).

Osprey Funds

SOLANA

Speed and Scale for the 21st Century

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Solana Speed and Scale for the 21st Century

The Osprey Solana Trust offers simple secure exposure to the native token of the Solana Network

For more info [ospreyfund.io](#)

Introduction

Solana (SOL) is a blockchain built to scale projects. It is fast and designed to increase in speed with time.

The Solana project originated in 2017 with Andrej Karic and including Proof of History (PoH), we potentially solve the Blockchain Trilemma.

Solana is led by a strong founding team, including Anatoly Yakovlev, Raj Gokal, and others.

Solana excels at speed and scalability while maintaining high security. It can process up to 65,000 transactions per second and its speed continues to increase.

The Solana community is growing fast and ready to tackle one of tech's biggest challenges.

Osprey Funds Investor Product Series

Osprey Funds carefully selects assets for its products. We are pleased to share some of our investment decisions via the Osprey Funds Investor Product Series.

Solana Feature Summary

- Solana's Proof of History (PoH)** is a core permissionless source of time in the network. PoH decreases the time spent validating transactions.
- Solana is fast. Presently, it processes up to 65,000 transactions per second. Block finality occurs in less than 1 second. Legacy blockchains like Ethereum and Bitcoin require significantly more time.
- Solana is inexpensive. Fees are less than a penny and high frequency use without being prohibitive. Creators can mint NFTs on Solana for free.
- Staking rewards inflation may be partially offset by staking volume. If transaction volume is high, deflationary.
- The Solana transaction processing engine (TPU) (Processing) and SSDN (Storage) in contracts run concurrently on the same hardware.
- Presently, Solana supports real-world applications like Agave Academy and Solana Monkey Business (a streaming platform built on Solana), has over 100,000 developers.

These are only a few examples.

Community

Solana is the fastest blockchain in the world and the fastest growing ecosystem in crypto. It has built a strong online community across social platforms.

As of 09/15/21, Solana's public Discord has ~80,000 members and often tens of thousands concurrently active.

The Solana Twitter account has amassed more than 590,000 followers since it was created in January 2018.

Solana Labs has 13,350 followers on LinkedIn.

The in-house Solana Podcast ranks #33 in the US on Apple Podcasts for Technology and #25 on Spotify in the same category.

The Solana subreddit has 60,000 members while its Stocktwits stream (\$SOL-X) has 18,220 watchers.

590k Twitter Followers
60k Reddit Members
80k Discord Members

The Solana Foundation

The Solana Foundation is a not-for-profit based in Zug, Switzerland that maintains the Solana open source project and leads development.

The Foundation provides grants to teams to access capital, technical support, recruiting assistance, and more.

Nivan Bhatta is the CEO of the Solana Foundation. Previously, he served 6 years at Visa and 2 years as Head of Finance at Omada Health.

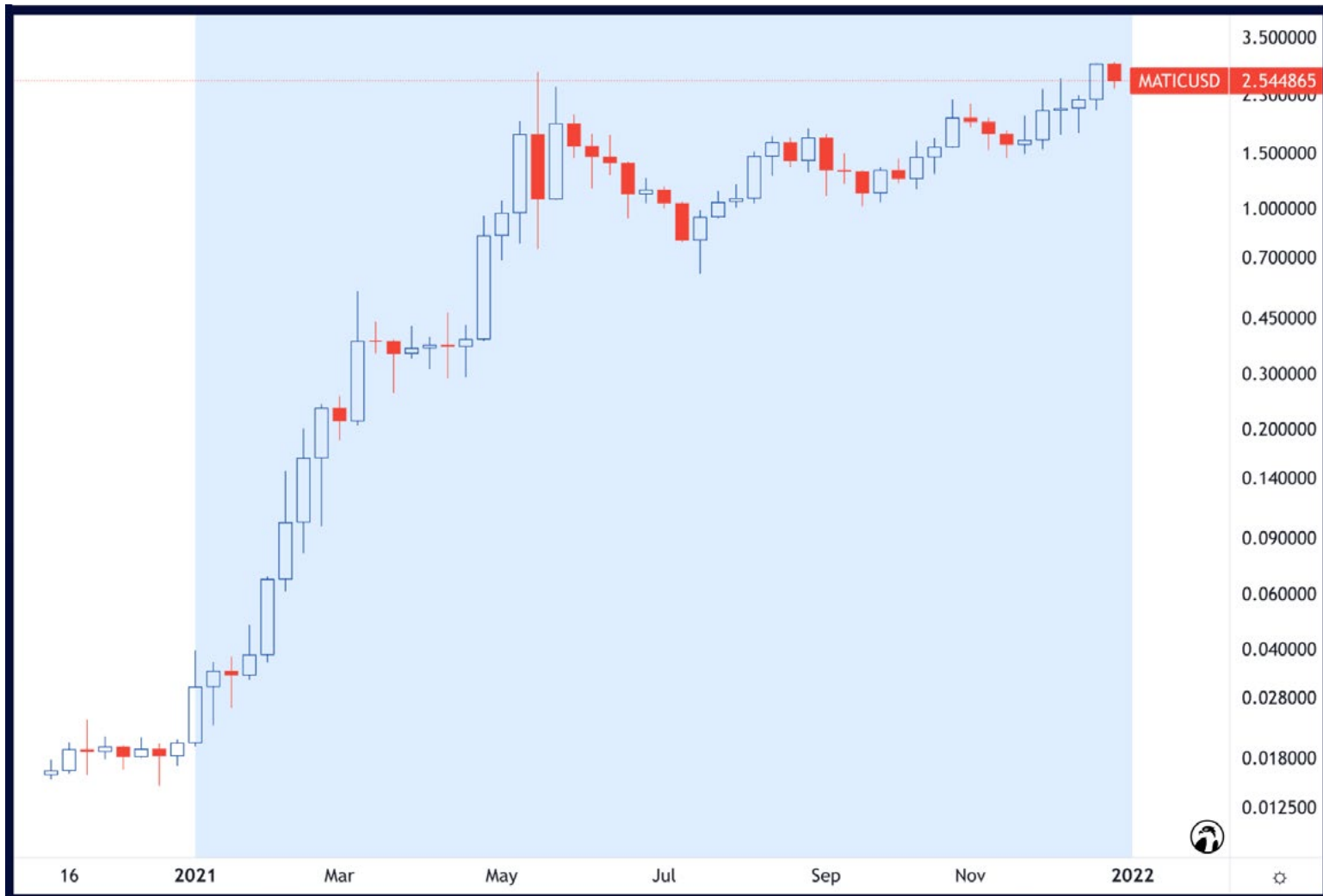
The Solana Foundation is dedicated to decentralization, growth, and security of the Solana network.



Polygon Weekly

Polygon (MATIC) also made a massive move. The MATIC token rose 14,000% in 2021 and is the 14th largest token by market cap at \$18B.

Polygon Weekly



Polygon: Ethereum's Expressway

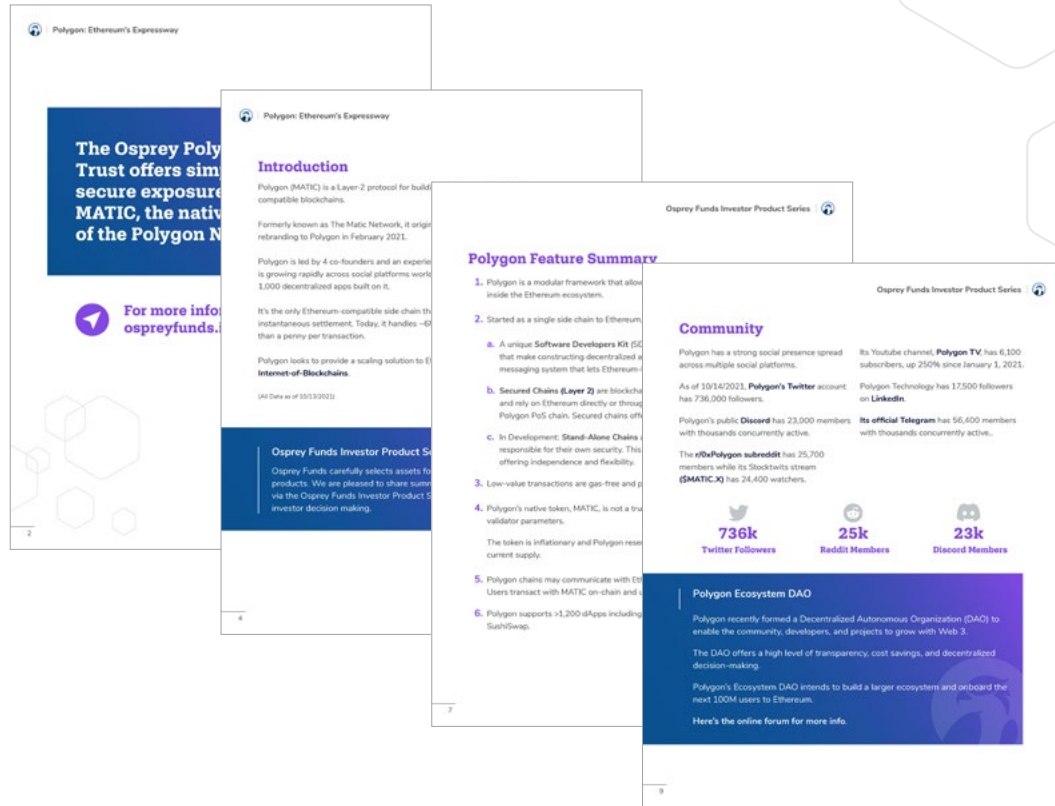
Looking for long exposure to Polygon? [Click here for more info on our Polygon Trust](#) and check out our recent [Polygon lightpaper here](#).



Osprey Funds

 **polygon**
Ethereum's Expressway

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The Osprey Polygon Trust offers simple secure exposure to MATIC, the native token of the Polygon Network.

For more info visit ospreyfund.io

Introduction

Polygon (MATIC) is a Layer-2 protocol for building Ethereum-compatible blockchains.

Formerly known as The Matic Network, it originally rebranded to Polygon in February 2021.

Polygon is led by 4 co-founders and an experienced team. It is growing rapidly across social platforms with over 3,000 decentralized apps built on it.

It's the only Ethereum-compatible side chain that offers instantaneous settlement. Today, it handles ~60 transactions per second (TPS) at a cost less than a penny per transaction.

Polygon looks to provide a scaling solution to Ethereum.

Internet-of-Blockchains.

(All Data as of 10/14/2021)

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Polygon Feature Summary

1. Polygon is a modular framework that allows for building side chains inside the Ethereum ecosystem.
2. Started as a single side chain to Ethereum.
3. A unique **Software Developers Kit (SDK)** that makes constructing decentralized applications (dApps) easy.
4. **Secured Chains (Layer 2)** are blockchains that rely on Ethereum directly or through Polygon PoS chain. Secured chains offer high throughput and low gas fees.
5. In Development: **Stand-Alone Chains** are blockchains that are responsible for their own security. This offers independence and flexibility.
6. Low-value transactions are gas-free and provide high throughput.

The token is inflationary and Polygon reserves a portion of the current supply.

Polygon chains may communicate with Ethereum. Users transact with MATIC on-chain and receive assets on the side chain.

Polygon supports >1,200 dApps including SushiSwap.

Community

Polygon has a strong social presence spread across multiple social platforms.

As of 10/14/2021, **Polygon's Twitter** account has 736,000 followers.




Polygon's public **Discord** has 23,000 members with thousands concurrently active.

The **#0xPolygon subreddit** has 25,700 members while its Stocktwits stream (**\$MATIC-Q**) has 24,400 watchers.

Its YouTube channel, **Polygon TV**, has 6,100 subscribers, up 250% since January 1, 2021.

Polygon Technology has 17,500 followers on **LinkedIn**.

Its official **Telegram** has 56,600 members with thousands concurrently active.

 736k Twitter Followers	 25k Reddit Members	 23k Discord Members
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Polygon Ecosystem DAO

Polygon recently formed a Decentralized Autonomous Organization (DAO) to enable the community, developers, and projects to grow with Web 3.

The DAO offers a high level of transparency, cost savings, and decentralized decision-making.

Polygon's Ecosystem DAO intends to build a larger ecosystem and onboard the next 100M users to Ethereum.

Here's the online forum for more info.



Will Turkey Go Bitcoin?

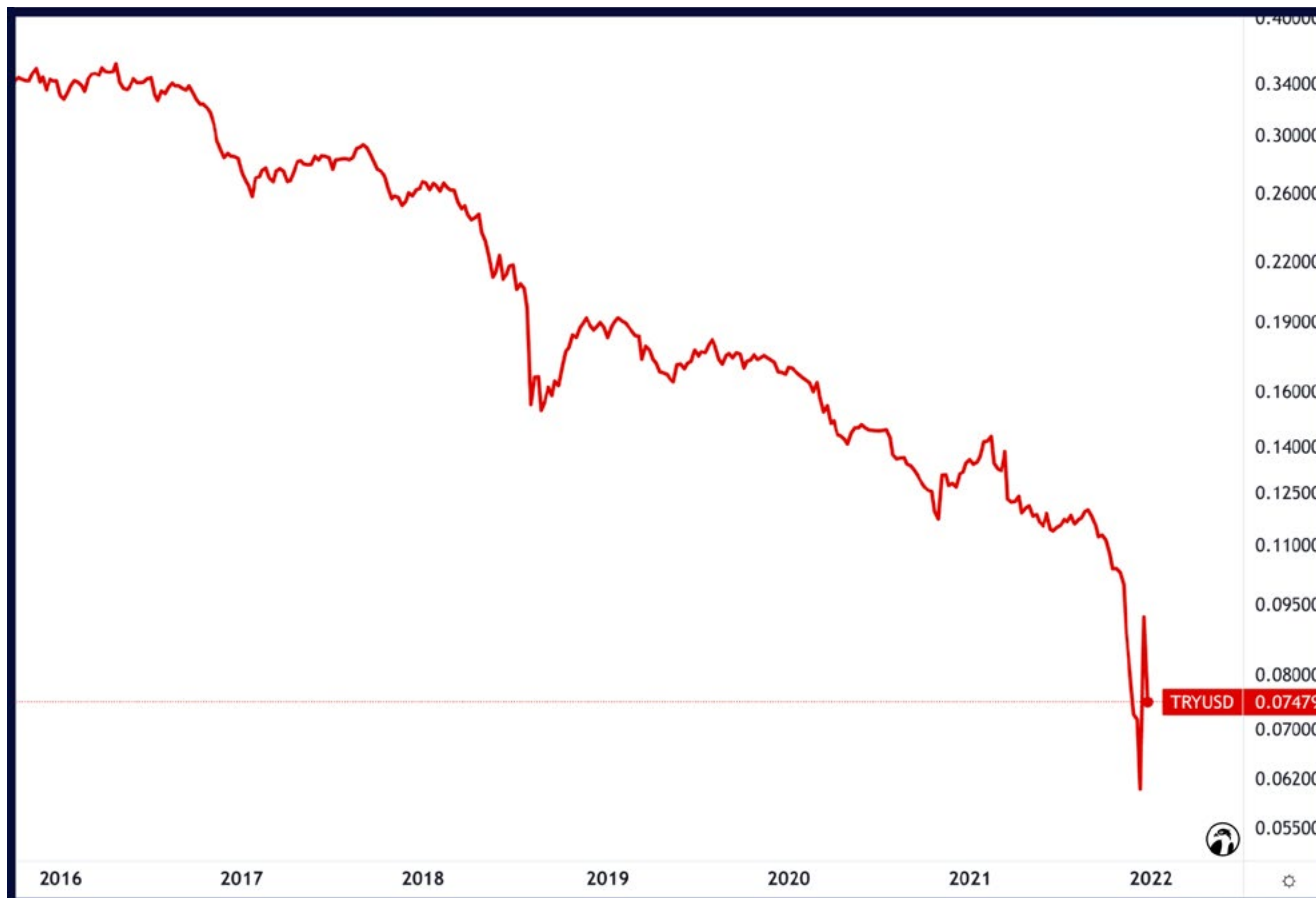
The Turkish Lira collapsed as the nation's currency crisis escalated.

Turkey's President Erdogan publicized a draft of a crypto law for the country, but **details have yet to be disclosed**.

This is a global-macro story **we'll continue to watch** in 2022.

The five year Lira chart is not for the faint of heart:

Turkish Lira – Dollar (TRY/USBD)



US Debt Continues to Run

Here's a **running count** of the US National Debt into the end of 2021. At the current rate, the US will exceed \$30T in national debt before the end of the decade.

There will only ever be 21 million Bitcoin.



Happy New Year, everyone!



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