



## Mining Bitcoin vs Buying Spot Bitcoin

Can you accumulate more BTC by mining or buying spot? 🤔

This simulation begins on 5/12/2020, the day after the 2020 halving. We chose this date for the simulation as the 2024 halving is right around the corner, and thus we are at nearly the exact same point in the cycle.

For this case study, we have Person A, who is mining Bitcoin. And we have Person B, who is buying spot Bitcoin. Person A and Person B are both looking to deploy capital with the goal of accumulating as much BTC as possible. They each plan to allocate an initial lump sum, and then dollar-cost average through the epoch.

Person A's "lump sum" is his purchase of an S19 ASIC (the most efficient ASIC at that time). His "DCA" is the electricity bill he pays to run the S19.

Person B's "lump sum" is a spot BTC buy on the start date; using the same amount of funds as it would have cost to buy an S19. And Person B's "DCA" is equivalent to what Person A pays in electricity to mine.

**Person A:**

- Purchases an S19 for \$2,220
- 95 Th/s, 34.2 W/Th, \$0.08/kWh
- Holds all BTC mined, pays electricity out of pocket (\$5.93 per day)

**Person B:**

- Lump sum purchase on day 1 of \$2,220 (opportunity cost of buying S19)
- Initial acquisition of ~.252 BTC based on BTC price 5/12/2020
- Daily DCA of \$5.93 (daily cost of running S19)

**Total BTC Stacked Mining (Person A): 0.669** 

**Total BTC Stacked Spot Buying (Person B): 0.593** 

**To date, Person A has accumulated ~.076 more BTC (~\$5,200) than Person B!**

It took 609 days (Jan 11th, 2022) for the BTC stack of the miner to surpass the BTC stack of the spot buyer. This analysis doesn't even

include the resale value of the S19. At the time of writing, based on data from the [Blockware Marketplace](#), the market price of a single S19 is ~\$575.

It's not too late to start mining Bitcoin. Purchase the latest-generation ASICs today and out-stack spot-buyers during the 2024-2028 epoch.

