

Twitter Thread by John Street Capital



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@JohnStCapital



0/ It's been a big 2 weeks for \$BTC as it hits a new ATH, \$MSTR completes a \$650M convert, Mass Mutual invests \$100M, Ruffer Management buys \$745M, Jefferies recommends a 5% allocation, Guggenheim's CIO gives a \$400K PT, OneRiver, FinCen rules better than feared & Coinbase S1

1/ \$MSTR completed a \$650M convertible bond offering at 0.75% with the intent to purchase \$BTC (and per [@michael_saylor](#)) it looks like they completed that buy. Since first announcing their \$BTC purchase in mid-August the stocks +143% (with BTC over 2.0x during that time)

2/ Mass Mutual with its ~\$235B general investment account purchased \$100M of \$BTC through NYDIG (after making an equity investment alongside [@BessemerVP](#) & \$MS).

3/ Ruffer Management a ~\$27B asset manager bought \$750M of \$BTC to equate to ~2.5% of the portfolio:

"We see this BTC investment as a small but potent insurance policy against the continuing devaluation of the world's major currencies,"

4/ Jefferies Christopher Wood amended his long-only asset allocation recommendation for pension funds cutting gold to 45% from 50% and initiating a 5% position in \$BTC.

Exhibit 4: Recommended long-only asset allocation for US-dollar-based pension funds

Weight (%)	Investment type
45%	Physical gold bullion
30%	Asia ex-Japan equities, weighted according to the long-only thematic portfolio
20%	Unhedged gold mining stocks
5%	Bitcoin

Source: Jefferies

5/ Guggenheim CIO Scott MinerD claimed that the firms "fundamental work" shows \$BTC should be worth ~\$400,000.

"Bitcoin has a lot of the attributes of gold and at the same time has an unusual value in terms of transactions," MinerD told Bloomberg TV.

6/ OneRiver & Eric Peters aims to own ~\$1.0B of \$BTC & \$ETH in early '21 and has reportedly acquired in excess of \$600M already with the backing of Alan Howard.

7/ For the past few weeks the crypto community was worried about rules that would come out of FinCen & @stevenmnuchin1. They were better than feared not covering unhosted to unhosted wallets and puts \$BTC on a similar footing to USD from a FI perspective.

8/ @coinbase has been executing a lot of these large buy orders for institutional investors / funds & has filed their S1 to go public. As they continue to take back volume from offshore exchanges and as CME grows it leads to the maturation of the market.

9/ This fact pattern is the biggest difference between now & '17 which was very much a retail driven frenzy. You are having multiple 9 figure \$BTC spot orders placed in market when daily inflation is ~1/2 of what it was on top of a more conducive macro backdrop.

10/ All of this is in the last 2 weeks & excludes the \$PYPL roll out, the success of \$SQ, @DigitalAssets, new custodians, guidance from the OCC, macro investors like Druckenmiller & PTJ talking about \$BTC's place in the portfolio, etc... will shape up for an interesting '21.