

August 2024



4th Annual Australian

Crypto Survey

Contents



01 Introduction

02 The next 12 months

03 Key statistics

04 About

05 Cryptocurrency ownership in Australia

06 Cryptocurrency profits

07 Intention to invest in digital assets

08 Digital assets as a retirement investment

09 Barriers to cryptocurrency adoption

11 Financial confidence

12 Conclusion

Introduction

This year's survey is all about Gen Z. Younger Australians reported a very significant increase in crypto ownership in 2024 and many more of them are now investing in cryptocurrency as part of their retirement funds.

In effect, Gen Z investors appear to have decoupled from the rest of the market by investing in digital assets at an unprecedented rate, with an 11 percentage point rise in their crypto ownership over the last 12 months. At the same time, overall digital asset ownership has dipped in Australia, according to the fourth annual Swyftx digital assets survey.

The number of Australians that currently own cryptocurrencies fell from 23% to 20%. A drop that is consistent with several other major crypto economies. Brazil (24%), India (22%) the US (16%), France (9%) and Switzerland (19%) all experienced freezes or slight declines in adoption despite Bitcoin rallying to new all-time highs in March 2024 and the approval of crypto ETFs in the U.S.

Australians report a lack of understanding around the market and continued concern over its regulation as the main reasons for not entering the market, suggesting that trust remains a continued barrier to adoption.

Record number of investors report profits.

The drop in crypto ownership among Australians came despite a record number of traders reporting profits, suggesting some digital asset users chose to exit the market after profit taking. The average profit reported by crypto users was \$9,627, a 17% increase on the previous year. A record low number of crypto owners reported making no profit or only losses on their investments (13% -down 16 percentage points on 2023).

20%

A fifth of Australians (20%) intend to purchase cryptocurrencies in the next six months. The largest recorded increase in intention to buy was among Gen Z, up 11 percentage points to 32%.

39%

of all Australians agreed with the statement that cryptocurrencies will play a central role in our economy in the future, compared to 37% who disagreed.

2m+

Number of adults that are likely to invest in crypto in the next 12 months.

6%

of Australians aged 50 or over now own crypto (down 5 pp), compared to 31% of people aged between 18 and 49.

The next *12 months*

Introduction

The rate of crypto adoption reported by Australians comes in at the lower end of expectations. Swyftx's 2023 report forecast that digital asset usage in Australia would stall amid continued concerns around regulation. Looking forward to 2025, there remains a high degree of uncertainty around the timetable for the introduction of crypto-asset regulation in Australia.

However, one in three Australians (32%) say they are more likely to purchase crypto as a result of increased regulation. A figure that includes 10% who are much more likely to buy digital assets and 23% who would be somewhat more likely to do so.

"Our expectation at the moment is that crypto adoption will just keep tracking sideways in Australia until we have a settled policy environment," said Swyftx CEO Jason Titman.

"At the moment there is a high level of conviction among existing cryptocurrency users in the asset class. But there is a significant cohort of investors who seem to be sitting on the sidelines waiting for the comfort blanket of regulation. During this phase, we may see some industry consolidation as businesses seek to fortify their positions in what is currently a very fragmented market."

"We conservatively estimate around two million Australians could enter the market when it is regulated. But we see potential for that figure to balloon out to something approaching 6.4 million. At that point you are talking about an Australian cryptocurrency market worth well in excess of \$130bn a year."



Key Statistics

3.9m

number of Australians that *currently own* cryptocurrency.

\$9,627

average reported
cryptocurrency profit over
the last year.

1.3m

Australians considering
entering the digital assets
market for the first time in
the next 12 months.

11pp

Increase in Gen Z crypto
owners over the last year.

42%

crypto owners that hold
digital assets in their
retirement savings.

39%

Australians who agree crypto
will play a central role in our
economy. 37% disagreed.

This year's *survey*

Methodology

The Swyftx Australian cryptocurrency survey is the largest annual tracking survey on digital assets in Australia.

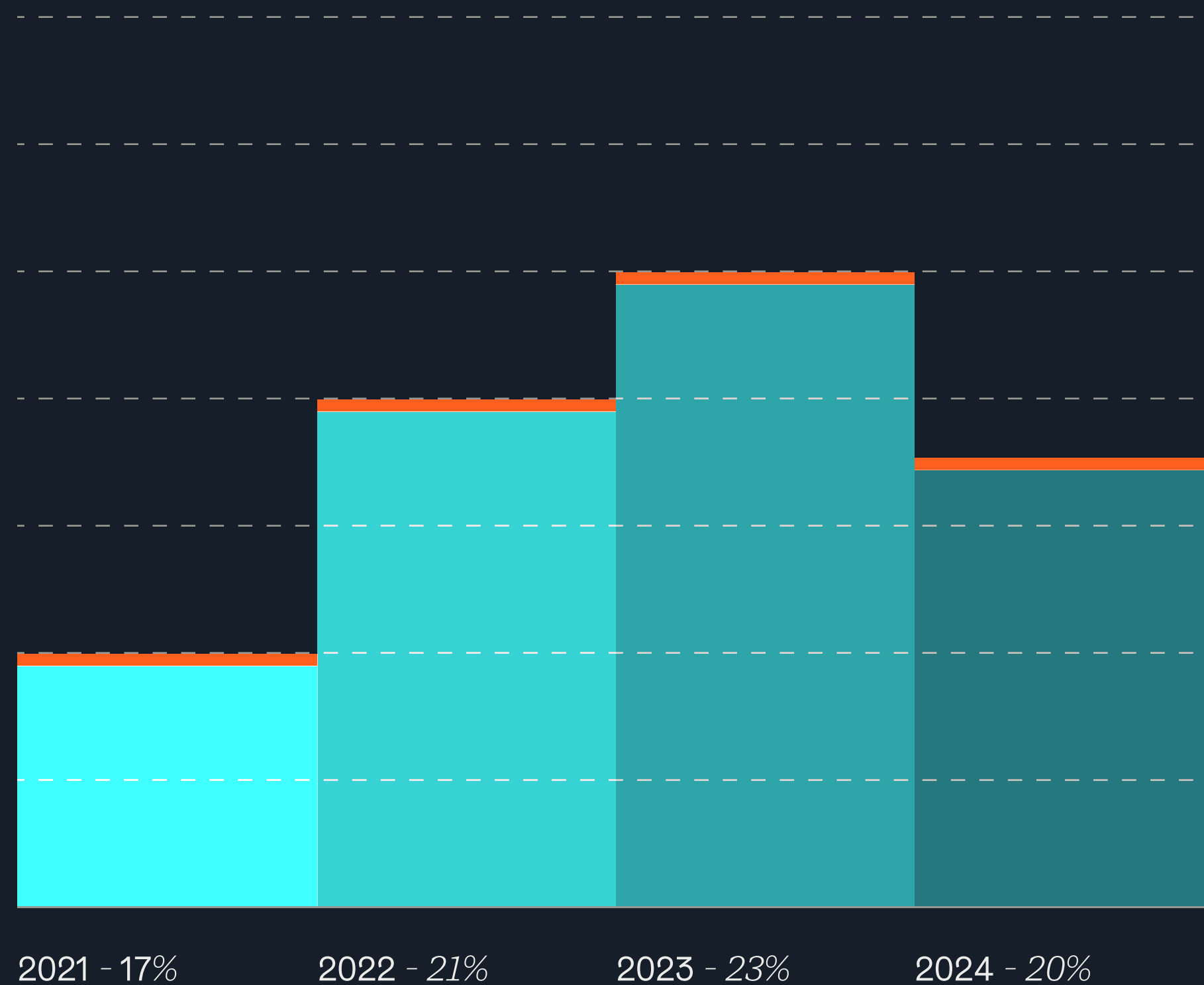
This year's findings are based on a YouGov survey of 2,229 adults across Australia. The survey was conducted online between 16 and 23 July, 2024. It is weighted using ABS estimates and is representative of all Australian adults (18+) nationally. This survey is fully compliant with the Australian Polling Council Code. A survey methodology statement is available [\[here\]](#). The margin of error for the effective sample size of this survey is +/-2.1.

About Swyftx

Swyftx is an Australian cryptocurrency broker that supports over 750,000 retail, business and SMSF customers across the ANZ region. The AUSTRAC-registered exchange was established in 2019.



Cryptocurrency Ownership In Australia



Australian adults that currently own cryptocurrency.

Crypto ownership rises sharply amongst gen Z

An estimated 3.9 million Australians currently own cryptocurrency compared to 4.5m in 2023. In total, 29% (or three in ten Australian adults) have ever owned cryptocurrency.

The gap in ownership between Australians who are under 50 and those over 50 has now become highly pronounced. Gen Z ownership increased to 32% over the last 12 months, a staggering 11 percentage point rise on the year prior. This represents the largest single increase in ownership among a generation since the Swyftx survey began. Every other generation reported lower levels of digital asset ownership. However, Millennials in Australia remain more likely than older generations to hold crypto (35%).

Residents in New South Wales (20%), Western Australia (22%) and Queensland (21%) are now more likely to own crypto than those living in Victoria (16%).

Despite its overall fall in ownership, Australia retains one of the highest rates of crypto adoption in the world. Our survey suggests that Australia has the fifth highest level of ownership in the world, behind only Argentina, Brazil, India and South Africa based on Statista data. The U.S, which accounts for around a quarter of all trade volumes, has an estimated adoption rate of 16%.

Bitcoin price gains lead to *sharp* rise in profits

87% of users with a strong or some understanding of the crypto market reported profits in 2024.

53% with little or no understanding of the market reported profits.

It was a turbulent year in global crypto and equity markets, with risk-on assets recording wild swings in price action. Bitcoin, by far the largest digital asset by market cap, rose from USD \$29K to \$58K over the 12-month survey period. In March 2024, it hit new all-time highs of \$73K.

In total, 82% of Australian crypto owners claim they made a profit. This is a dramatic 18 percentage point rise on last year's survey. Just 2% of owners reported that they made only losses over the last 12 months. The average reported profit also increased to AUD \$9,627. A \$1,409 increase from 2023. One in seven cryptocurrency owners reported making profits of \$20,001 or more over the year.

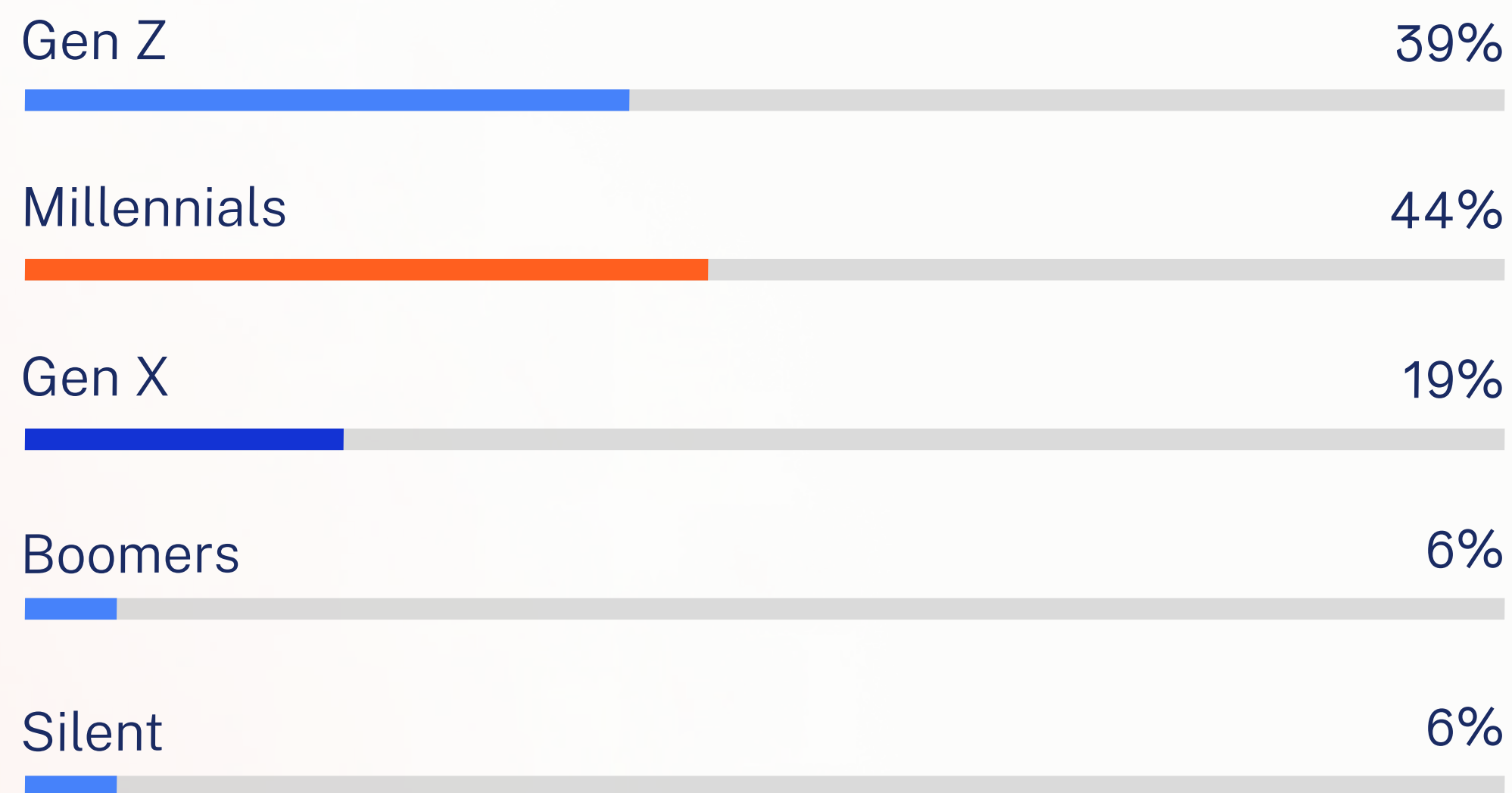
"The macro conditions for risk-on assets are more favourable than they were at this point last year," said Swyftx Lead Market Analyst Pav Hundal.

"Barring some kind of exogenous shock, we expect central banks in Europe, Asia and the States to continue easing monetary policy over the next 12 months. Some of the jeopardy also appears to have gone out of the U.S electoral cycle, with tentative signs that both major political parties at least want a relationship with the industry."

"On the basis of what we know today, it would be a moderate surprise if average reported profits among Australian crypto users do not snap back to a five-figure number in 2025. But by far the most important way for investors to mitigate their financial risk is market understanding. There remains an enormous and consistent correlation between financial knowledge and reported profits levels among Australian cryptocurrency users."

Digital asset *ownership* by generation

How likely, if at all, are you to invest in cryptocurrencies within the next 12 months?
Based on all Australian adults.



Gen Z to remain the *fastest growing* crypto demographic

Close to 2.1m Australian adults report that they are very, or somewhat likely to enter the crypto asset market in the next 12 months. This includes 1.3m adults who have never owned digital assets and a further 826K adults who have previously owned crypto.

Four in ten Gen Z adults (39%) say they are likely to invest in digital assets over this period. This is a 12 percentage point increase on last year's survey. Among Millennials, the figure is 44%, a two percentage point increase.

However, among Gen X (19%) and Baby Boomers (6%) it appears that interest in crypto assets is cooling, with both generations reporting that they are less likely to invest (down 5pp and 3pp, respectively).

The most popular reason given by Gen Z survey respondents for owning crypto is a conviction that it is a good form of investment.

More Australians allocate crypto to retirement funds

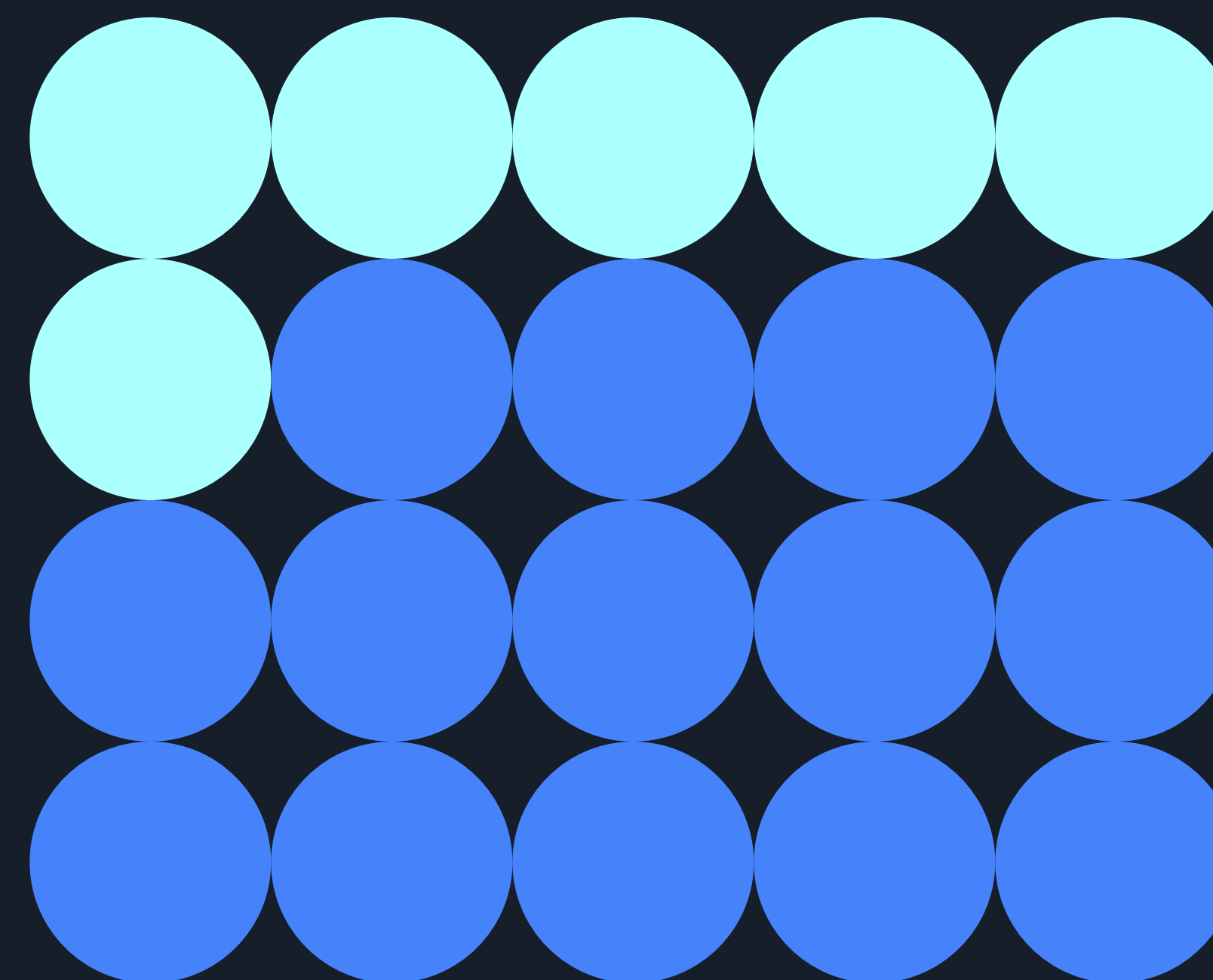
Following a significant reduction last year in the number of Aussies allocating crypto to their retirement funds, this year the SMSF market has stabilised. Three in ten Australians that have ever owned cryptocurrency (31%) say they have digital assets in their retirement funds. This is a two percentage point increase on 2023.

Owners with a very high or high level of financial knowledge remain the most likely to say they are holding crypto for retirement (49%).

But the fastest growing segment was Gen Z. In total, 37% of Gen Z crypto users now report holding crypto for their retirement, a 16 percentage point increase on last year.

Possibly influenced by the approval of spot Bitcoin ETFs operated by BlackRock and other large global investment managers, the number of Australians that would like to see their super funds have exposure to crypto nudged up by 2pp to 27%. Among current crypto owners, this rises to 71%. A nine percentage point increase.

27% of Australians would like their super fund to include *cryptocurrency*



32%

one in three Australians reported they would be more likely to purchase digital assets with *increased regulations*.

Trust edges back as shadow of FTX *weakens*

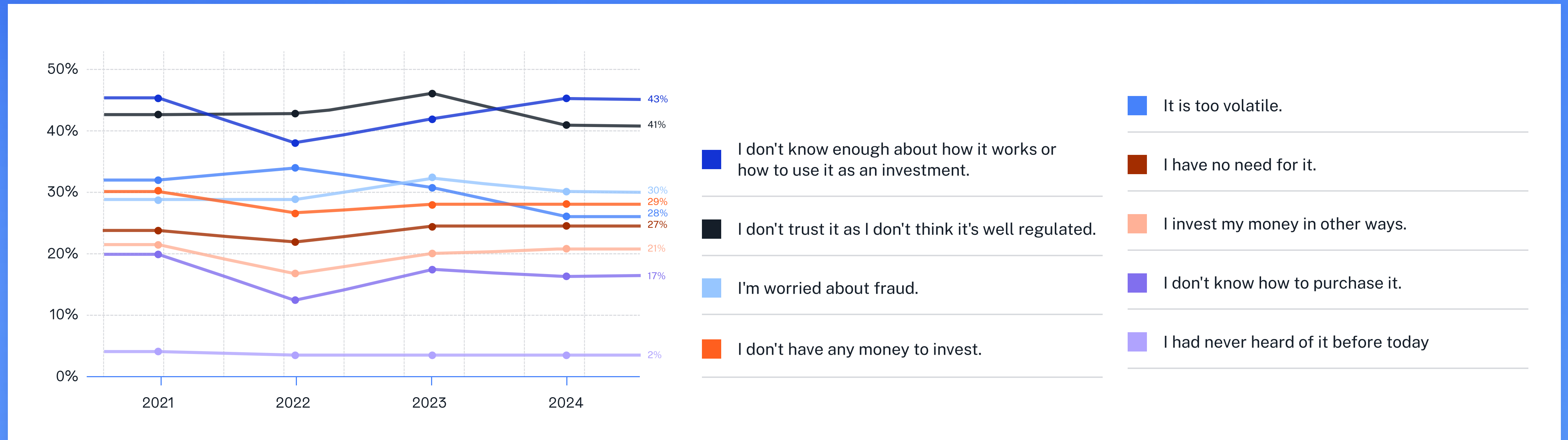
The collapse of global crypto exchange FTX cast a significant shadow on the sector in 2023 and reduced trust among Australians. Nonetheless, public sentiment has thawed. Trust remains relatively fragile but is still higher than at any point over the last four years.

When asked how likely they would be to purchase digital assets with increased regulations, one in three Australians (32%) reported they would be more likely to.

The report finds Millennials and Gen Z are particularly sensitive to regulation, with 47% of Millennials (up 4pp) and 42% of Gen Z (up 8pp) saying they would be more likely to buy digital assets in a well-regulated environment.

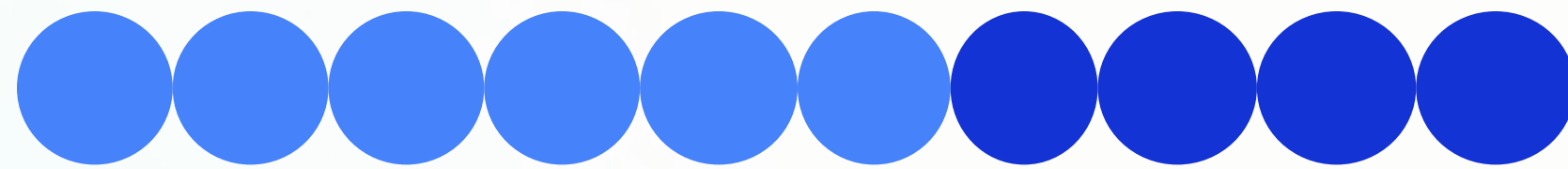
This compares to 30% (down 1pp) of Gen X and just 15% of Boomers (down 2pp). Perhaps surprisingly, Australians with a strong or some understanding of the digital asset market report that they are 60% (up 7pp) more likely to invest post-regulation.

Reasons for *not* owning crypto

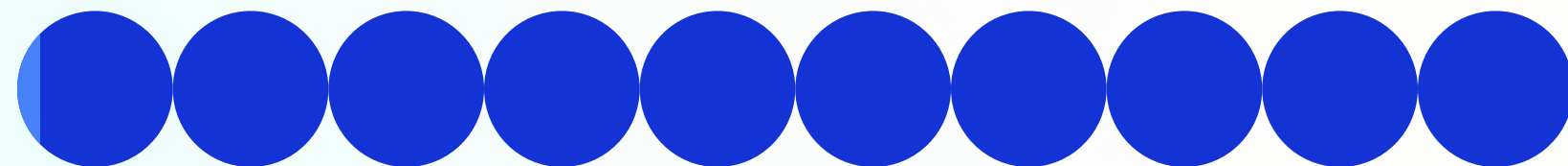


Financial Confidence

60% of crypto owners reporting a high or very high level of financial knowledge.



1% digital asset owners that report no understanding at all of the crypto market.



Australians report high level of *crypto literacy*

The number of Australian digital asset users that report a reasonable understanding of the cryptocurrency market remained robust this year.

In total, 86% identify as having either a strong or some comprehension of digital assets. This compares to 81% in 2023 and follows significant investment among large exchanges like Swyftx in customer education. Just 14% of crypto users in the country report having only 'a little understanding'.

Local digital asset holders continue to report much higher levels of financial understanding than the general population. In total, 60% say they have a high or very high level of financial knowledge. This compares to 20% of those who have never owned cryptocurrency.

Confidence remains high, but the industry faces continued medium term headwinds

Investor demand for Bitcoin and the major cryptocurrencies looks robust going into the next half of the decade, with a strong snapback in trading volumes across the largest exchanges in FY24.

The domestic market remains dominated by experienced investors that understand cryptocurrency and already have a strong conviction in assets like Bitcoin, Ethereum, Solana and other tokens linked to the major blockchain projects.

This year's survey suggests many less experienced Australian investors remain cautious about entering or re-entering the market in the absence of legislation.

Our prevailing thesis is that adoption rates in Australia will remain constrained until such time as the sector either enters the regulatory perimeter, or the total crypto market cap bounces back to levels above \$3 trillion. However, the medium-term forecast for the market looks increasingly strong, with potential bipartisan political tailwinds in the US and the market entry of the world's largest asset managers bringing in large volumes of additional liquidity.

Blockchain technology continues to promise much for our society in terms of productivity and utility. A settled regulatory environment could unleash a second great wave of adoption in Australia.



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Tom Matthews

Swyftx Head of Corporate Affairs

tom.matthews@swyftx.com

