

BITCOIN VS ETHEREUM:

What Are The Differences?

CRYPTOCURRENCY

WHAT IS IT?

TOKEN

BITCOIN IS A DIGITAL CURRENCY. ETHEREUM IS A PLATFORM FOR SMART CONTRACTS, WITH ETHER BEING THE TOKEN ON IT.

THOUGH BITCOIN DOES NOW HANDLE SMART CONTRACTS, ETHEREUM IS THE MARKET LEADER.

PURCHASING, STORE OF VALUE

MAIN USE

DECENTRALIZED APPS

ETHER IS DESIGNED TO FUEL ETHEREUM, WHEREAS BITCOIN IS DESIGNED AS A REAL-WORLD MONEY REPLACEMENT.

JANUARY 3, 2009

FOUNDED

JULY 30, 2015

BITCOIN WAS FIRST DISTRIBUTED BY THOSE WHO MINED IT, WHILE ETHEREUM WAS DISTRIBUTED BY AN INITIAL COIN OFFERING (ICO).

SATOSHI NAKAMOTO

FOUNDER

VITALIK BUTERIN

THE REAL IDENTITY OF BITCOIN'S FOUNDER IS UNKNOWN, WHILE ETHEREUM ALL HAS PUBLICLY IDENTIFIABLE FOUNDERS.

~18 MILLION

NUMBER IN CIRCULATION

~109 MILLION

\$9,500 USD

VALUE

\$180 USD

~\$147 BILLION

MARKET CAP

~\$16 BILLION

BITCOIN HAS BEEN AROUND MUCH LONGER AND HAS A FAR LARGER MARKET CAP, THOUGH ETHEREUM IS VERY POPULAR.

10 MINUTES

ISSUANCE TIME

10 - 20 SECONDS

ETHEREUM IS MUCH QUICKER AND CONFIRMS TRANSACTIONS WITHIN 20 SECONDS, COMPARED TO BITCOIN'S 10 MINUTES.

12.5, WHICH HALVES EVERY 210,000 BLOCKS

NEW TOKEN PER ISSUANCE

5 PER NEW BLOCK

DEFLATIONARY (ONLY A LIMITED NUMBER WILL BE MADE)

SUPPLY TYPE

INFLATIONARY (NO OVERALL LIMIT TO HOW MANY CAN BE PRODUCED)

21 MILLION TOTAL

SUPPLY CAP

18 MILLION/YEAR

BITCOIN IS LIMITED IN HOW MUCH IT CAN BE MINED. ONCE IT REACHES THE CAP, THAT'S IT. ETHEREUM ONLY HAS A YEARLY CAP.

SHA-256

ALGORITHM

ETHASH

PROOF OF WORK

MINING

PROOF OF STAKE

BITCOIN IS BEST MINED WITH ASICs (DEDICATED HARDWARE), WHILE ETHEREUM IS BETTER HANDLED BY GPUS.

BITCOIN USES A PROOF OF WORK MINING ALGORITHM, WHICH REWARDS MINERS FOR SOLVING CRYPTOGRAPHIC PUZZLES. ETHEREUM USES PROOF OF STAKE, WHICH PRIORITIZES BASED ON HOW MUCH COIN SOMEONE HOLDS.

DEVELOPMENTS TO BITCOIN MUST BE PEER REVIEWED AND TESTED, WHILE ANYONE CAN MAKE A SMART CONTRACT ON ETHEREUM.