The Adoption and Use of Bitcoin (BTC) Is Gradually Returning To Its Peak

By Brian Lubin  -  Feb 9, 2019

Bitcoin (BTC) – the world’s most dominant digital currency – is gradually regaining momentum. The number of confirmed transactions on the BTC network has been increasing enormously. The number has reached levels last seen in December 2017 and January 2018, when Bitcoin (BTC) surged towards the $25k level and made international headlines.

A professor of finance at Duke University – Campbell R. Harvey – told Inverse that: “I look at it the following way: 2017 was the year of the bubble where there was an increased number of transactions due to speculators. That has subsided and the previous trend has been continued.”

**Bitcoin (BTC) Daily Transactions Reached 328,417 on Feb. 5th**
According to data from Blockchain.com, the number of daily confirmed transactions of Bitcoin (BTC) hit the high of 328,417 on the 5th of February. This is the first time the transactions of Bitcoin is getting to this level since January last year.

When Bitcoin (BTC) peaked in December 2017, it was worth almost $20,000. However, the digital currency has lost a great portion of its value and it is now trading slightly over the $3,650 mark at the time of writing. While the decline in the value of the coin at the beginning of last year was accompanied by a decline in usage, the daily transactions of the digital currency have gradually surged to return to its previous high levels.

The number of confirmed BTC transactions has taken a considerable different path to the value of the digital currency over the past couple of months. While the previous increase in the number of transactions might have been pioneered by investor speculation, the professor of finance said that it is "unlikely" the source of this year's increase considering the fact that the value of the digital currency has been heading south.

Much interest is not even seen on the side of investors in predicting the future value of the digital currency, as Harvey said there is a relatively modest volume on the trading platforms of futures. Another possible reason for the increase in confirmed transactions of Bitcoin could be that the digital currency is more useful now.

When the value of the digital currency skyrocketed at the end of 2017, the one megabyte (1MB) block size limit meant that users needed to wait to confirm their transactions. The average confirmation time surged as high as 2,575 minutes, or almost two days, in January last year. Today, the time has reduced to about 15 minutes, irrespective of the increase in transactions.
Bitcoin (BTC) Price Today – BTC / USD

<table>
<thead>
<tr>
<th>Name</th>
<th>Price</th>
<th>24H (%)</th>
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<tbody>
<tr>
<td>Bitcoin (BTC)</td>
<td>$3,647.34</td>
<td>↑ 0.14%</td>
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The emergence of new technologies might have helped to increase the usability of Bitcoin (BTC). SegWit, which is short for Segregated Witness, was an agreed policy change back in August 2017. The policy rearranged the transaction data to use that 1MB more effectively.

During the massive price surge in December 2017, only 10% of transactions used SegWit. At the time of writing, that figure has jumped to about 35%.

Another notable and popular technology is “Lightning Network.” The Lightning Network processes transactions outside of the blockchain, holding transactions in payment channel until they are closed and the final result written as one on the blockchain. Bitcoin (BTC) is capable of processing only about 7 transactions per second. Visa processes about 2,000 transactions per second, and the developers of the LN claim that it can process billions of transactions in a second.
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Brian Lubin is a Crypto News Reporter for Smarterm. He's well-known for his reports on the crypto markets.