

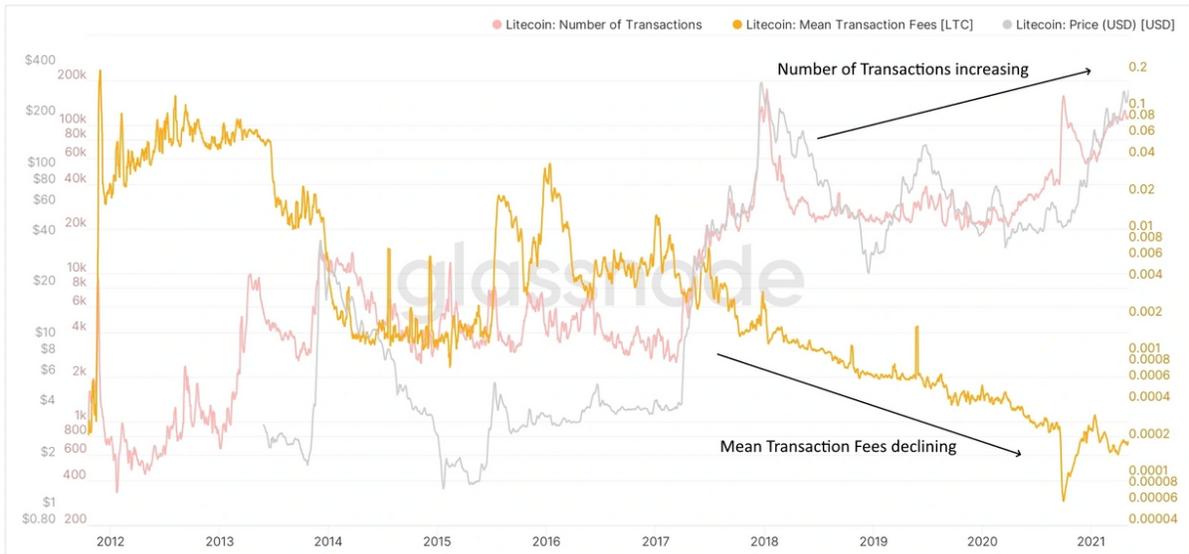
Litecoin: the silver to Bitcoin's gold.

What is Litecoin?

Litecoin is a household crypto name which has been around for more than ten years. It was first created in 2011 by Charlie Lee as an attempted upgrade to Bitcoin and since then, has been a major beneficiary of Bitcoin's global success, gaining credibility and a highly liquid market - all the while maintaining a top 10 position on crypto ranking sites like coingecko.

Its main selling points are instant, near feeless transactions with a developer emphasis on increasing fungibility and privacy attributes. A common talking point is that Litecoin is the Silver to Bitcoin's Gold, and this comparison has held its own for over a decade. Still, the legacy coin has lost much of its shine as newer projects came (and went) over the years, often promising the world-over with just a half-baked proof-of-concept.

Litecoin: Number of Transactions vs. Litecoin: Mean Transaction Fees vs. Litecoin: Price (USD)



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Being a dinosaur cryptocurrency has its perks though. Over the course of its 10 year existence, Litecoin has stood the test of time, and this is reflected in its relative success in its use-case, growing number of blockchain transactions, increasing price (and market capitalisation) and most importantly - its ongoing core development, primarily support by the Litecoin Foundation.

Litecoin's reputation as the 'silver to Bitcoin's gold' or the 'cheap bitcoin' also rings true in its development cycle. In fact, Litecoin routinely plays the role of a testing ground for new technologies which are eventually integrated into the bitcoin network. One instance of this was the SegWit implementation. Due to infighting within the Bitcoin community over SegWit's implementation, Litecoin went ahead and implemented the upgrade first as a testing-bed for bitcoin. A few years later, Charlie Lee revealed that he was the anonymous figure who had created the 1 million dollar SegWit bounty (proving that SegWit transactions were safe).

Its reputation and strong ties to bitcoin from both a coding and fundamental use-case (which recognises the unsolvable problems within fiat currency system) offers an advantage over competitors which stand in defiance to the king crypto, rather than with it. The similarities

between the two coins also act as an incentive for merchants to integrate it on their payment rails, which has accelerated Litecoin's adoption as a commonly used payment mechanism. This year's fungibility-focused Mimblewimble upgrade could spur this momentum even further.

Yes, the Litecoin project is actively being developed.

What about the Mimblewimble upgrade?

After a year of ongoing development, the Litecoin Foundation, which has only been around for half of the coin's existence, announced that the Mimble Wimble Extension Block (MWEB) code was completed on March 16.

The MWEB upgrade improves key features that Litecoin lacks - namely fungibility and privacy. Launched in October 2020, the MimbleWimble testnet was battle-tested for 5 consecutive months before developers were comfortable announcing its completion.

Named after a fictional Harry Potter spell, the protocol allows senders to encrypt the number of coins to be sent using 'blinding factors' while obfuscating the addresses, vastly improving privacy features while at the same time enhancing scalability.

The Litecoin founder, Charlie Lee - who is widely known (and lambasted) for selling the market top in 2017 - has personally funded the project and has focused on fungibility, scalability and privacy for years, viewing this update as a key transitory evolution of the Litecoin blockchain.

Briefly, fungibility introduces the concept that coins are mutually interchangeable. For example, one dollar can be traded with another dollar irrespective of its transaction history. Since cryptocurrency transactions are all recorded on the blockchain, funds that were used for nefarious activities can be tarnished in some way, making them a target for overzealous regulators. Since the principles of physical cash are true for any type of money, this is not fair on users who value relative privacy.

MimbleWimble seeks to replicate this physical cash fungibility online by using extension blocks. These are essentially interconnected adjacent chains running next to Litecoin's main chain. It's

an optional feature for users those who want more privacy and fungibility for their LTC transactions.

Ultimately, the end goal is for Litecoin to become the most cash-like replacement for physical cash, and it enjoys a demonstrably high degree of market confidence in this pursuit.

Smart money supports the network!

Grayscale is the leading money manager for cryptocurrency assets worldwide, holding over \$48 billion in cryptocurrency assets. It provides insight into the movement of large capital inflows and has become the go-to proxy from which to broadly generalise high net-worth capital flows over the years.

For years, LTC has maintained strong inflows and remains a top pick in a crypto investment portfolio. Currently, the Grayscale Litecoin Trust (LTCN) enjoys a top 5 position in ranking, comprising over \$475 million in total holdings with the asset manager.

Litecoin's name-recognition also lends itself to the blockchain's health more broadly, in both liquidity and as a widely accepted means of payment. Apart from being tradeable on practically every crypto exchange, the coin is also available on traditional financial applications such as Paypal, Revolut and many others. For what it's worth, LTC is also ahead in ATM offerings, with over 6,461 ATMs offering LTC in 2020, according to cryptonews.net.

When seen in aggregate, it's clear that there is strong infrastructural support for Litecoin, both in the legacy financial system and the crypto ecosystem (which will eventually replace legacy finance).

Conclusion

While some have continually proclaimed the imminent death of Litecoin (often with a similar tone as those who proclaim the death of bitcoin), the opposite has proven to be true. After 10



years, Litecoin persists as a top ranking coin, complementing bitcoin's existence with sound money principles and an emphasis on improving fungibility and privacy.

In all its history, LTC has followed in the footsteps of bitcoin, and in some ways, helped to improve the king cryptocurrency. The two cryptocurrencies have much in common - a strong brand and straight-forward vision. In addition, the Mimblewimble update is set to take LTC to the next level and make it almost cash-like. All in all, there will be more than one cryptocurrency moving forward, and those with strong fundamentals will likely take the best pieces of the crypto cake.

Litecoin is a secure, private, fast, fungible and near-feeless blockchain with demonstrable persistence and a clear roadmap. As the world continues to be plagued by unsound economic decisions and national banks move towards increasing long-term inflation rates, the future is bright for decentralised, capped, limited supply coins that are deflationary in nature.

