

# Bitvo<sup>TM</sup>



## BITVO MARKET RECAP REPORT

July 4<sup>th</sup>, 2022

[www.bitvo.com](http://www.bitvo.com)  
1 833-862-4886

### INSIGHTS FROM THE BITVO TRADING DESK

Joel Johnson - [joel@bitvo.com](mailto:joel@bitvo.com)  
Yiannis Kanatas - [yiannis.kanatas@bitvo.com](mailto:yiannis.kanatas@bitvo.com)

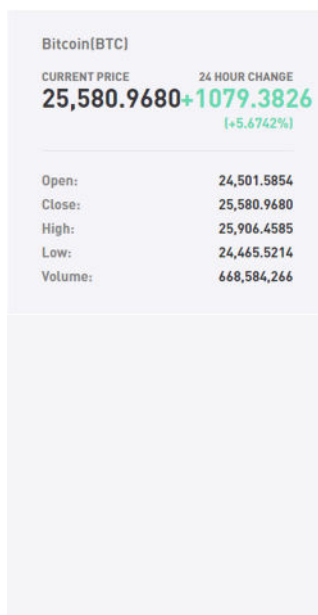


# WHAT HAPPENED IN CRYPTO LAST WEEK

Cryptocurrency prices were rangebound last week as prices continue to follow the risk trade and not a lot of direction was provided leading into a holiday long weekend in both Canada and the U.S.

The price of Bitcoin, for example, traded between US\$21,000 and US\$19,000, for the most part. We are seeing a bit of an uptick this morning, approaching US\$20,000.

We hope that everyone had a lovely long weekend. Happy Canada Day! And happy July 4<sup>th</sup> for our friends south of the border celebrating today.



## ALTCOIN HEADLINES

### ETH Gas Fees at Lows

From January 2021 through May 2022, the average gas fee required by the Ethereum network was roughly \$40, attributed to the rising popularity of nonfungible tokens (NFT), decentralized finance (DeFi) and increased interest in trading Ether. However, the average transaction fee on the Ethereum blockchain dropped to 0.0015 Ether or \$1.57 last week, the lowest level seen since December 2020.

NFT sales have also dropped to one-year lows of 19,000, with an estimated value of US\$13.8M.

### USD Stablecoin Premium Surge

Argentina, a country with one of the highest crypto adoption rates in the world in part due to persistently high inflation due to the declining value of the peso, saw the price of United States dollar-pegged stablecoins surge across exchanges on Saturday after the abrupt resignation of its Economy Minister, Martin Guzman.

According to data from Criptoaya, the cost of buying Tether (USDT) using Argentinian pesos (ARS) is currently 271.4 ARS, a 12% premium from before the resignation announcement, and a 116.25% premium compared to the current fiat exchange rate of USD/ARS.

### Trade More Alts Today

Interested in trading more altcoins or NFTs? Fund your Bitvo account, purchase BTC, ETH or another cryptocurrency offered and then transfer it to a platform offering the desired token.



## Whale Sightings

While trade volume is lower today due to the U.S. holiday, on-chain analytics resource Whalemap has confirmed that large purchases of coins occurred overnight at US\$19,200 provided support for the market.

These larger purchases amidst overall lower volume resulted in the price of Bitcoin rebounding above US\$20,000 to start the day, though it is trading slightly lower now.

## Healthy Deleveraging

The past month has seen a historic deleveraging of the cryptocurrency market. This, according to a JPMorgan analyst, could soon be coming to an end, which is a good thing. In a note last week, a JPMorgan strategist highlighted the increased willingness of firms to bail out companies and a healthy pace of venture capital funding in May and June as the basis for his optimism. "Indicators like our Net Leverage metric suggest that deleveraging is already well advanced", he noted.

## Mining Difficulty Rising

Despite some concern over miners' ability to withstand the current price downturn, Bitcoin's network fundamentals remain strong, and the difficulty is not anticipated to reduce at the upcoming readjustment this week.

According to estimates from on-chain monitoring resource BTC.com, difficulty will even rise should current prices stay the same, adding 0.5% to near all-time highs. This follows the adjustment two weeks ago that saw a modest decline of 2.35%.

## Not Giving Up

VanEck is not giving up on its plans to launch a spot Bitcoin ETF in the United States. The firm has refiled an application for a physically-backed Bitcoin ETF with the U.S. Securities and Exchange Commission (SEC) stating "Approving this proposal — and others like it — would provide U.S. ETFs and mutual funds with a U.S.-listed and regulated product to provide such access rather than relying on either flawed products or products listed and primarily regulated in other countries."

## Price Predictions

After its worst quarter in 11 years, analysts are reforecasting their price predictions for Bitcoin. Recall that 2022 began with a Goldman Sachs price prediction of US\$100,000 by 2024. Last week, with Bitcoin prices trading just below US\$20,000, analysts from Deutsche Bank forecast Bitcoin rebounding to US\$28,000 by December 2022, driven, in their view, by correlation to the S&P 500.

## We Want to Hear from You!

Have a question? Want to make a suggestion to improve your trading experience?

We're here to help 24/7. Get in touch today:

[support@bitvo.com](mailto:support@bitvo.com)





1-833-862-4886



# BITVO'S CRYPTO TECHNICAL ANALYSIS SCORE

For more technical analysis scores and indicators, sign in to your Bitvo account at [www.bitvo.com](http://www.bitvo.com)

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[support@bitvo.com](mailto:support@bitvo.com)  
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Crypto Market	Overall Technical Score	Short Term (0-5 days)	Medium Term (5-20 days)	Long Term (>20 days)
 Bitcoin	38.68 Weak	47.28 Neutral	35.39 Poor	33.72 Poor
 Ether	36.44 Poor	37.42 Weak	36.44 Weak	35.47 Poor
 XRP	35.46 Poor	35.53 Weak	35.39 Poor	35.47 Poor
 Bitcoin Cash	41.97 Weak	32.55 Poor	46.25 Neutral	47.55 Neutral
 Litecoin	36.34 Poor	34.74 Poor	37.67 Weak	36.63 Weak
 Dash	65.0617 Excellent	63.8387 Excellent	65.9574 Excellent	65.3766 Excellent

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