

# Bitvo<sup>TM</sup>



## BITVO MARKET RECAP REPORT

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### INSIGHTS FROM THE BITVO TRADING DESK

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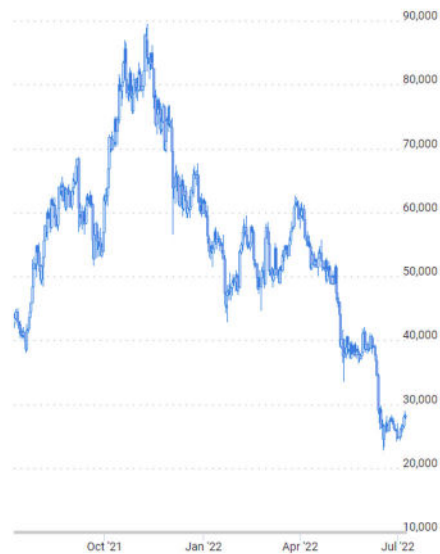
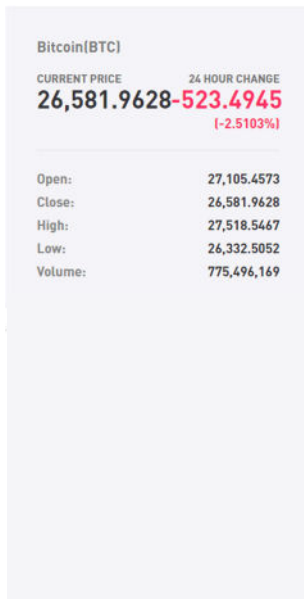


# WHAT HAPPENED IN CRYPTO LAST WEEK

Prices of major cryptocurrency showed signs of life last week, rising through mid-week and, despite a pull back over the weekend, ending the week up. The price of Bitcoin topped US\$22,000 for the first time in almost a month.

The collective rise propelled the market capitalization of cryptocurrencies globally to over US\$1T once again.

This occurred despite some negative headlines with respect to the fall out of certain firms due to leverage used in combination with reduced pricing. More on that below.



## ALTCOIN HEADLINES

### Tether Fortifies Reserves

The fallout of Terra has left pressure on stablecoins that aren't founded on a reserve base that is purely composed of the asset to which it is supposed to be pegged. An example of this is short sellers that "have been ramping up their bets against Tether," the Wall Street Journal reported. To combat this, Tether is looking to reduce the amount of commercial paper it holds as reserves and replace this with pure USD. Tether's commercial paper reserves are expected to reach a new low of US\$3.5B by the end of July, down from US\$24.2B at the end of 2021. The company added that its "goal remains to bring the figure down to zero."

### Doge Now Accepted

Elon Musk has been in the news daily with respect to his deal to purchase Twitter, which he is now attempting to back out of. However, one headline that may have slipped under the radar is that his tunnel construction firm The Boring Company (TBC) has begun allowing customers to pay for rides on its Las Vegas transit system using Dogecoin. While TBC has not officially confirmed the new payment method, Musk seemed to when he responded to a tweet about the news, saying: "Supporting Doge wherever possible." The price of Dogecoin was previously boosted by the Twitter takeover announcement with traders speculating Musk would add Dogecoin as a payment method there.

### 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.



## 3AC Files for Bankruptcy

Troubled crypto hedge fund Three Arrows Capital (3AC) officially filed for chapter 15 bankruptcy last week, days after being pushed into liquidation in the British Virgin Islands where it is domiciled. The fund had over US\$10B in assets under management as recently as March. Additionally, the Monetary Authority of Singapore reprimanded the fund for providing false information to regulators.

## Collateral Damage

The claims against 3AC give insight into the magnitude of the firm's borrowing. Voyager Digital says it could lose US\$650M based on loans of Bitcoin and USDC to 3AC and has since suspended trading, deposits, and withdrawals as a result. Deribit and BlockFi both say they suffered US\$80M losses. Additionally, lender and market maker Genesis faces substantial losses due to exposure to 3AC and Hong Kong-based lender Babel Finance.

## Bailouts Are In

Rising to the occasion amidst these challenging markets, FTX's Sam Bankman-Fried has provided several bailouts, resulting in market participants dubbing him crypto's JPMorgan. After assisting both Voyager and BlockFi with loans, Bankman-Fried noted in an interview with Reuters that his companies still have "a few billion" in cash ready in reserve for bailing out troubled firms. These bailouts as well as the news of Celsius repaying debt to free up collateral contributed to prices rising last week.

## Banks Buying In

Despite current market tone, traditional financial ("TradFi") institutions continue to add crypto to their offerings. Brazil's largest bank, Nubank, now allows customers to buy and sell Bitcoin through its app. This is interesting as Nubank is backed by Warren Buffet's Berkshire Hathaway, and Buffet is a vocal crypto critic. The announcement came on the heels of Brazilian TradFi XP Investimentos news that it will partner with Nasdaq to launch XTAGE for trading crypto.

## Different This Time

Speaking with Barron's recently, BitGo CEO Mike Belshe highlighted the development of the crypto market up to this point, "As we move through these [winters], we're getting bigger and the types of risks are looking different," Belshe said. On that point, Barron's noted that it thinks this crypto winter might not be as bad as past downcycles, based on the migration of talent to the space, stronger management teams, increased institutional involvement, and crypto's increasing ties to the broader market.

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

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# 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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Crypto Market	Overall Technical Score	Short Term (0-5 days)	Medium Term (5-20 days)	Long Term (>20 days)
 Bitcoin	49.17 Neutral	60.1 Good	53.41 Neutral	34.31 Poor
 Ether	49.9 Neutral	62.22 Excellent	53.41 Neutral	34.31 Poor
 XRP	48.85 Neutral	58.88 Neutral	51.18 Neutral	36.68 Weak
 Bitcoin Cash	37.65 Poor	30.33 Poor	38.65 Weak	44.39 Neutral
 Litecoin	45.69 Weak	57.56 Neutral	44.44 Neutral	35.37 Poor
 Dash	65.0617 Excellent	63.8387 Excellent	65.9574 Excellent	65.3766 Excellent

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