

# Bitvo<sup>TM</sup>



## **BITVO MARKET RECAP REPORT**

September 19<sup>th</sup>, 2022

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

### **INSIGHTS FROM THE BITVO TRADING DESK**

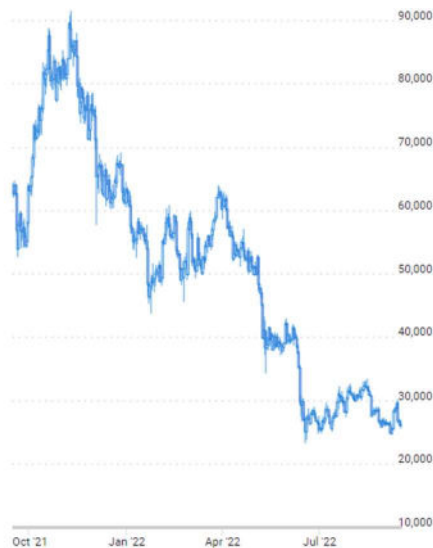
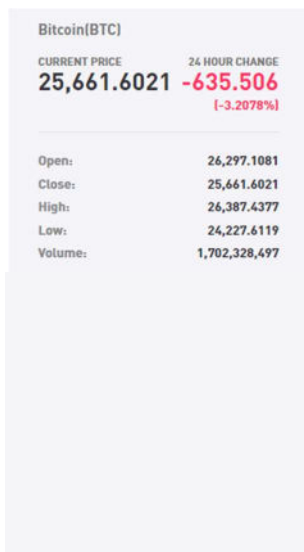
Joel Johnson - [joel@bitvo.com](mailto:joel@bitvo.com)  
Andrew Krochak - [andrew.krochak@bitvo.com](mailto:andrew.krochak@bitvo.com)



# WHAT HAPPENED IN CRYPTO LAST WEEK

After a solid weekly gain the prior week, the risk trade sold off Tuesday following a higher than expected Consumer Price Index print, indicating that inflation was far from being tamed and reigniting traders' fears that central governments everywhere would continue to hike interest rates in order to combat it. To that end, a full 75 bps is now expected by the U.S. Federal Reserve on September 21<sup>st</sup> with a 20% chance of it being a full 100 bps as well as a 50 bps hike at the November 2<sup>nd</sup> meeting.

As is typical when traders worry about rate hikes, the technology sector, to which cryptocurrency has been increasingly correlated to this year, was hit hardest. Every single stock in the Nasdaq 100 fell, the first time that's happened since March 2020.



## ALTCOIN HEADLINES

### The Merge was a Success

Ethereum's much anticipated Merge was successfully completed in the early hours of Thursday morning. All appeared to go relatively smoothly with minimal, if any, hiccups. With this, the Ethereum blockchain moved from Proof-of-Work to Proof-of-Stake, which should lead to the network consuming approximately 99.9% less energy.

In what seemed to be a classic case of buy the rumor, sell the news, the price of Ether declined following the Merge, down approximately 6% 24 hours following.

### But Not Everyone is Happy

While most industry participants are excited for this development, Ether miners were not as they were left with mining equipment that is no longer useful. In an attempt to continue to profit from their ownership of these machines, they've forked Ethereum (creating the token ETHW) to continue to operate under the Proof-of-Work consensus mechanism, despite pushback from Ethereum co-founder Vitalik Buterin himself. While initially ETHW increased in price shortly after the Merge, it has subsequently forfeited its gains.

### 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.



## MicroStrategy Still All In

MicroStrategy, the largest institutional Bitcoin holder, announced its intentions to sell equity in order to buy the current market dip. The company intends to sell stock worth US\$500M according to a Securities and Exchange Commission (SEC) filing. Currently MicroStrategy holds 129,699 Bitcoin, which has declined in value by approximately US\$1B since acquired. Purchasing additional coins in this market environment would reduce MicroStrategy's acquisition cost of its holdings.

## U.S. Advances Regulation

The Biden administration announced a regulatory framework for the crypto industry last week, following up on an executive order from March that called for more research on what that should look like. While still very high level, this is the next step for the U.S. as it progresses towards actual regulations. The focus was on cracking down on illicit activity and protecting crypto traders. There was also a specific focus on stablecoins, which, with recent examples like Luna, haven't been so stable...

## El Salvador One Year Later

In 2021 El Salvador became the first country to accept Bitcoin as legal tender. Every citizen could get \$30 worth of Bitcoin, the government would accept it for tax payments, and businesses were supposed to accept it if they were technologically able. One year later, though, adoption rates are low. However, tourism and foreign investments have increased; their digital wallet, Chivo, has over 4M users; fifty-nine crypto/blockchain companies have registered with the country; and, plans are still in works to launch a Bitcoin-backed bond.

## Crypto Donations

Crypto philanthropy has grown exponentially over the past two years as non-profit agencies launched digital giving campaigns during COVID. Crypto donors typically have higher average incomes (\$110,000) and the average crypto donation is \$10,000, more than one hundred times the typical online donation. Additionally, the war in Ukraine has further spurred crypto donations with Ukraine receiving over US\$135M since Russia's invasion.

## Crypto x Sports

Sports sponsorships are helping to promote cryptocurrency in Australia. For the first time, the Melbourne Demons of the Australian Football League (AFL) have partnered with a crypto company. The partnership has increased exposure to cryptocurrency for the general public and within the football league itself. Moving forward, the AFL plans on expanding their crypto game day events, including purchasing tickets and an opportunity to meet players in the Metaverse.

## 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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Crypto Market	Overall Technical Score	Short Term (0-5 days)	Medium Term (5-20 days)	Long Term (>20 days)
 Bitcoin	37.39 Weak	41.16 Neutral	36.12 Weak	34.99 Poor
 Ether	33.77 Poor	31.68 Poor	33.66 Poor	36.03 Weak
 XRP	54.66 Neutral	54.98 Neutral	62.47 Good	46.34 Neutral
 Bitcoin Cash	51.68 Neutral	59.19 Neutral	59.93 Good	36.03 Weak
 Litecoin	41.97 Neutral	34.22 Poor	49.82 Neutral	42.19 Neutral
 Dash	65.0617 Excellent	63.8387 Excellent	65.9574 Excellent	65.3766 Excellent

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