

# Bitvo<sup>TM</sup>



## **BITVO MARKET RECAP REPORT**

October 17<sup>th</sup>, 2022

[www.bitvo.com](http://www.bitvo.com)  
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### **INSIGHTS FROM THE BITVO TRADING DESK**

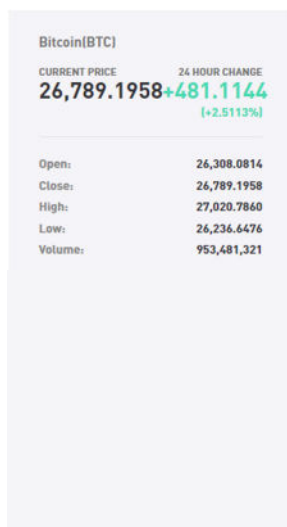
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# WHAT HAPPENED IN CRYPTO LAST WEEK

Another week of inflation fighting fears as both U.S. Consumer Price Index (CPI) and Producer Price Index (PPI) numbers came in higher than expected causing traders to speculate that future Federal Reserve interest rate hikes would continue for the foreseeable future and at elevated levels. Futures markets are now fully pricing in a 75 bps hike at the next meeting with a 20% chance of that hike being a full 100 bps and a greater than 50% chance of the next hike thereafter being another full 75 bps. Stock markets and cryptocurrency prices dropped on the news.

However, both have recovered over the weekend and positive momentum is continuing this morning with the price of major cryptocurrencies flat to slightly up on the week.



## ALTCOIN HEADLINES

### Russian Stablecoin Usage Up

A new report from blockchain analytics firm Chainalysis has shown a surge in stablecoin usage in Russia following the Russian invasion of Ukraine, which has since seen sanctions and inflation impacting the country.

Released on October 12<sup>th</sup>, the report revealed that the share of stablecoin's transaction volume on primarily Russian services increased from 42% in January to 67% in March following the invasion and has continued to increase since. Russia's removal from the cross-border fiat payment system, SWIFT, is likely to see crypto being utilized for cross-border transactions, with stablecoins likely to be the preferred medium of exchange due to their price stability.

### NFTs on Fire

Last week, British artist Damien Hirst set 1,000 of his paintings on fire as part of an NFT project. Hirst launched a collection last year of 10,000 NFTs corresponding to 10,000 original artworks. Buyers could choose to trade in their NFT for the physical art, but if they chose to keep the NFT, then Hirst would burn the original artwork, which he began to do last week.

"A lot of people think I'm burning millions of dollars of art but I'm not, I'm completing the transformation of these physical artworks into nfts by burning the physical versions," he wrote on Instagram.

### In Other NFT News

Sir Anthony Hopkins launched his batch of NFTs last week called Clarice. These artworks are artistic interpretations of characters the actor's played, and only 1,000 of the collectibles will be issued.

### 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.



## Why is Inflation Hurting?

One of the main arguments of support for Bitcoin and other cryptocurrencies is that it is supposed to act as a hedge against inflation. Many are currently questioning this given current market conditions. At Bitcoin Amsterdam last week, Greg Foss, executive director at Validus Power Corp offered an explanation: "Bitcoin has not performed as a pure CPI hedge, because monetary ease has been withdrawn from the system. It's what's caused all of our stocks to fall." He further stated that, over time, he believes Bitcoin's role will develop, but it is still young.

## Mastercard Supports Crypto

On October 17<sup>th</sup>, Mastercard officially announced a program that will integrate cryptocurrencies into its bank services, allowing customers to buy, sell, and hold cryptocurrencies. The new program is called "Crypto Source" and is expected to launch in Q4 2022. Mastercard continues to be proactive in integrating cryptocurrencies into their services with recent crypto-related investments. In the past, they have introduced NFT's and CipherTrace. Now, Mastercard will allow banks to trade cryptocurrencies.

## New Accounting Guidelines

On October 12<sup>th</sup>, the United States Financial Accounting Standards Board (FASB) announced it will allow companies to report cryptocurrency holdings at "fair value", instead of reporting them as "intangible assets" on their balance sheets, which previously required crypto holdings to be measured at their lowest price during the reporting period. This will make it easier for companies to hold and trade crypto, removing another barrier to entry or point of friction. The policy is set to go into effect in 2023.

## Bitcoin Spot ETF Declined

Many U.S. traders have been waiting for a Bitcoin spot exchange-traded-fund (ETF) to be approved by the SEC, which has denied every applicant to date since the product was first proposed by the Winklevoss Bitcoin Trust in May 2014. Last week saw another example as WisdomTree's application was denied due to the inability "to obtain information necessary to detect, investigate, and deter fraud and market manipulation, as well as violations of exchange rules and applicable federal securities laws."

## But Why Is It Needed?

Bitcoin investment trust vehicles, such as Greyscale's suite of products, have existed since 2013, but they have been restricted to accredited investors and often trade at a significant discount to market. Launching a spot-based Bitcoin ETF would open the market to U.S. retail traders and a broader array of mutual funds in the U.S. Similar spot ETFs exist in other jurisdictions, including Canada, and traders are easily able to purchase Bitcoin and other cryptocurrencies on platforms such as Bitvo's at spot market rates.

## 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:

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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	34.51 Poor	33.17 Poor	33.62 Weak	36.77 Weak
 Ether	34.94 Poor	33.73 Poor	34.33 Weak	36.77 Weak
 XRP	47.27 Neutral	33.73 Poor	46.11 Neutral	62.24 Good
 Bitcoin Cash	51.25 Neutral	58.65 Neutral	59.66 Neutral	35.59 Poor
 Litecoin	33.02 Poor	31.43 Poor	32.08 Poor	35.59 Poor
 Dash	65.0617 Excellent	63.8387 Excellent	65.9574 Excellent	65.3766 Excellent

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