

# Bitvo<sup>TM</sup>



## BITVO MARKET RECAP REPORT

February 6<sup>th</sup>, 2023

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### INSIGHTS FROM THE BITVO TRADING DESK

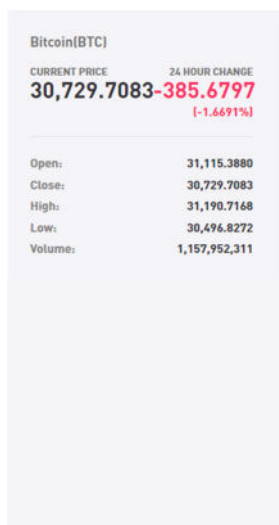
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# WHAT HAPPENED IN CRYPTO LAST WEEK

Cryptocurrency prices were mixed last week, making it the first week of the year that we didn't see near universal price increases across major coins. This pause in price increases came as a strong U.S. jobs report late last week suggested to traders that higher wages may continue to fuel inflation, which could result in central banks continuing to raise interest rates. Additionally, the suspected Chinese spy balloon shot down over U.S. air space and resulting escalation in tensions between the U.S. and China has the risk trade a little rattled as we kick off the week.

Overall, it has still been a great start to the new year for markets, particularly cryptocurrencies, with Bitcoin up almost 40% year to date.



## ALTCOIN HEADLINES

### Stablecoins to be Rated

Rating agencies such as Standard and Poor's and Moody's play a key role in rating companies and securities in the traditional financial system. In perhaps a nod to crypto's place alongside this system, Moody's is allegedly developing a scoring system for stablecoins, with analysis for up to 20 digital assets according to Bloomberg.

The system, which appears to be in the early stages of development, will evaluate and rate the quality of the attestations of stablecoin reserves, although it will not be considered an official credit rating. Generally speaking, third parties attest that a company's claims are accurate and validate that stablecoins are backed 1:1 by their reserves.

### Birkengate

Last week a court battle commenced between Hermès and non-fungible token (NFT) designer Mason Rothschild. Hermès claims Rothschild infringed on its trademark by digitally depicting furry versions of its iconic Birkin bag in his collection of 100 "MetaBirkin" NFTs, hindering the company's ability to capitalize on NFTs while its peers were making additional revenue from this. For example, Dolce & Gabbana sold nine NFTs for about US\$6M in September 2021 while Gucci received US\$25,000 on one short-film NFT two months prior. Rothschild argues that MetaBirkins are a lawful, artistic interpretation of the brand's product.

### 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.



## The Next Crypto Hub?

After an examination of eight key data points, London has emerged as the “highest crypto readiness to entice businesses and start-ups” according to CoinTelegraph’s summary of a report from Recap. When considering locations, key indicators around taxes, ATMs, jobs and events are strongly considered. Pro-crypto regulations, adoption of crypto, supporting infrastructure, and general public access are key factors to making a city a “crypto hub”. Within the top 20 crypto hub cities in the world, Vancouver is listed as ninth.

## BIG Predictions

Once darling in the tech and crypto investing space, Cathy Wood, has had a challenging couple of years as these sectors came under pressure and the ARK funds she leads lost value. However, Wood has not given up on cryptocurrencies yet! In her firm’s annual [Big Ideas Report](#), they made some bold predictions stating ARK expects bitcoin to hit US\$1.48M in 2030, with ~US\$258K being the bear case and ~US\$682K being the base, stating “network fundamentals have strengthened and its holder base has become more long-term focused”.

## MicroStrategy’s Hodlings

Canaccord Genuity highlighted the value of MicroStrategy’s bitcoin holdings last week stating “we view the main value driver for MSTR to still be its BTC holdings, which increased again this quarter as measured by the number of bitcoins owned, now totaling 132.5K. Given our view that the BTC blockchain network remains as robust as ever (as measured by network hashrate) we remain bullish on the stock and BTC spot prices over time”. MicroStrategy is the largest known corporate hodler of bitcoin.

## Real World Use Cases

The Department of Motor Vehicles (DMV) in California is working to incorporate technology, specifically blockchain to improve efficiency by decentralizing its functions. The institution is currently in the process of moving all of its registered titles to the blockchain, according to Ajay Gupta, the chief digital officer of the DMV in the state. The new system will be established on top of the Tezos blockchain and will be built in partnership with Oxhead Alpha, a cryptocurrency development company.

## Crypto Optimism

What doesn’t kill us, makes us stronger? One of the biggest reasons for optimism within the crypto space to rebound stronger than ever is increased due diligence and risk conscious investing, says CEO of Digital Asset Research, Doug Schwenk. Doug also notes there has been a lot of refocus within the industry in light of recent collapses. “When prices were always going up, it became pretty easy for people in general to kind of ignore risk management.”

## 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	48.79 Neutral	36.53 Weak	51.99 Neutral	58.04 Neutral
 Ether	59.39 Good	60.29 Good	57.9 Neutral	59.97 Good
 XRP	55.18 Neutral	55.91 Neutral	56.06 Neutral	53.57 Neutral
 Bitcoin Cash	45.1 Neutral	52.52 Neutral	51.99 Neutral	31.46 Poor
 Litecoin	58.46 Neutral	52.52 Neutral	59.59 Good	63.13 Excellent

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