

Insights from the Bitvo Trading Desk

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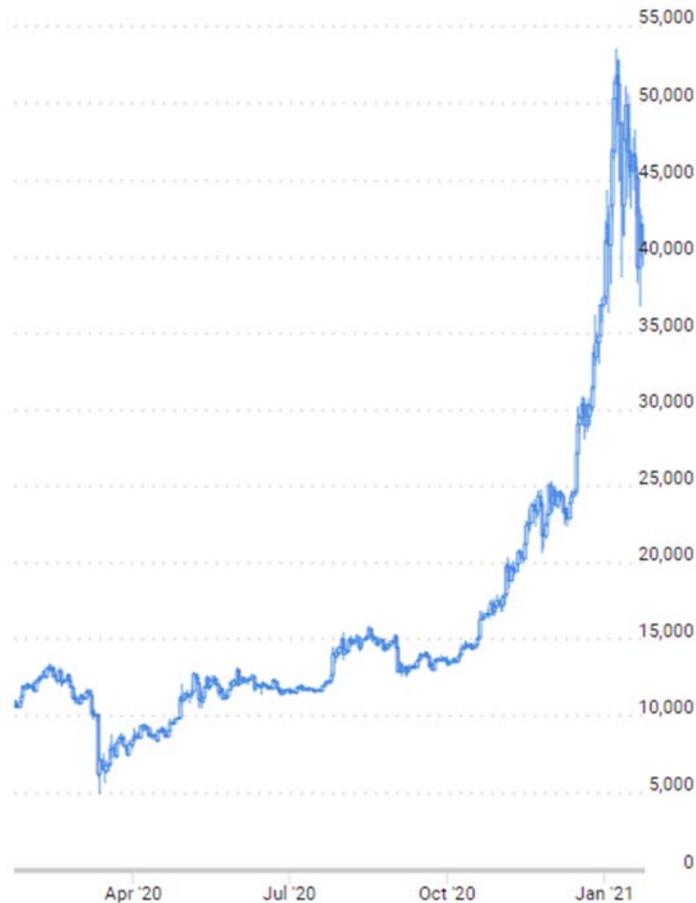
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Cryptocurrency prices continued to seesaw last week with the price charts of most major cryptocurrencies forming a v-shaped pattern, dipping in the first half of the week and then recovering in the second half. The price of Bitcoin dropped briefly below US\$30,000 Thursday evening before recovering over the weekend. It is currently trading just under US\$34,000. When drilling down and looking at which traders could potentially be driving these moves, it appears to be driven by smaller retail traders. This can be seen when reviewing the Bitcoin wallet address of “whales”, defined as wallets holding more than 100 BTC. These larger holders, which can be used as a proxy for institutional interest, were seen purchasing last week as prices declined versus wallets holding less than 100 BTC, which were seen selling or reducing positions.

Bitcoin(BTC)

CURRENT PRICE 24 HOUR CHANGE
42,962.4189 +**2418.9141**
(+7.6081%)

Open:	40,543.5048
Close:	42,962.4189
High:	44,487.9662
Low:	39,472.0817
Volume:	2,170,783,715



Altcoin Headlines

- The amount of Ether stored on crypto exchanges has dropped to 22% of the total supply, down more than four percentage points from 26% five months ago. Many market participants see this as a bullish sign as the movement of coins off exchanges suggests that market participants are putting coins into cold storage and therefore reducing the immediately marketable supply. The last time this metric dropped this low was in November 2018 when the price of Ether dropped to US\$80, before then rallying to US\$366.
- **"Interested in trading altcoins not offered on Bitvo? Fund your Bitvo account, purchase BTC or ETH and then transfer it to a platform offering the desired token."**

Other Newsworthy Bits

- With the price of Bitcoin at elevated levels, we are seeing an increase in the number of early holders looking recover lost wallets or private keys. Last week a U.K.-based IT engineer who mistakenly threw away a hard drive with ₿7,500 (now ~US\$300M) in 2013 is offering the local government in Newport, Wales, a 25% reward of the Bitcoin (₿1,875, or ~US\$75M) on the hard drive if they allow him to search the local landfill for his device.
- Exchange traded products (ETPs) continue to gain traction in Bitcoin. According to CryptoCompare, assets under management ("AUM") across all ETPs soared +95% to ~US\$36B since December 2020. The firm's report stated that the majority of AUM for ETPs is in the Grayscale Bitcoin Trust (GBTC), which rose by 93.7% to US\$22.6B in the past 30 days. Crypto ETP volumes advanced nearly three times in January 2021 to US\$837M with GBTC making up 64% of volume. Canada's own 3iQ listed ETP (QBTC) is the best performing Bitcoin product by market price over the last 30 days with a gain just north of +91%.
- Institutional interest in Bitcoin also continues to advance at a record pace. Last week BlackRock joined the list of major institutional investors to add Bitcoin futures as an eligible investment to its funds, the first time the money manager is offering clients exposure to cryptocurrency. According to filings with the SEC, BlackRock, a premier global asset manager with more than US\$8.7T in AUM, has authorized two of its funds, BlackRock Strategic Income Opportunities and BlackRock Global Allocation, to invest in Bitcoin. Additionally, Ruffer Investment Company, a British fund manager, revealed a £550M Bitcoin purchase last month, stating "we think we are relatively early to this, at the foothills of a long trend of institutional adoption and financialization of Bitcoin."

Bitvo Market Recap



Bitvo's Crypto Technical Analysis Score

Crypto Market	Overall Technical Score	Short Term (0-5 days)	Medium Term (5-20 days)	Long Term (>20 days)
 Bitcoin	39.12 Weak	36.14 Weak	32.31 Poor	49.43 Neutral
 Ether	61.41 Excellent	62.65 Good	58.7 Good	62.85 Excellent
 XRP	33.07 Poor	38.69 Weak	30.96 Poor	29.82 Poor
 Bitcoin Cash	39.19 Weak	31.79 Poor	33.84 Weak	52.68 Neutral
 Litecoin	42.77 Weak	38.69 Weak	31.75 Poor	58.52 Good
 Dash	36.02 Poor	35.08 Poor	33 Weak	40.1 Weak

For more technical analysis scores and indicators, sign in to your Bitvo account!

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