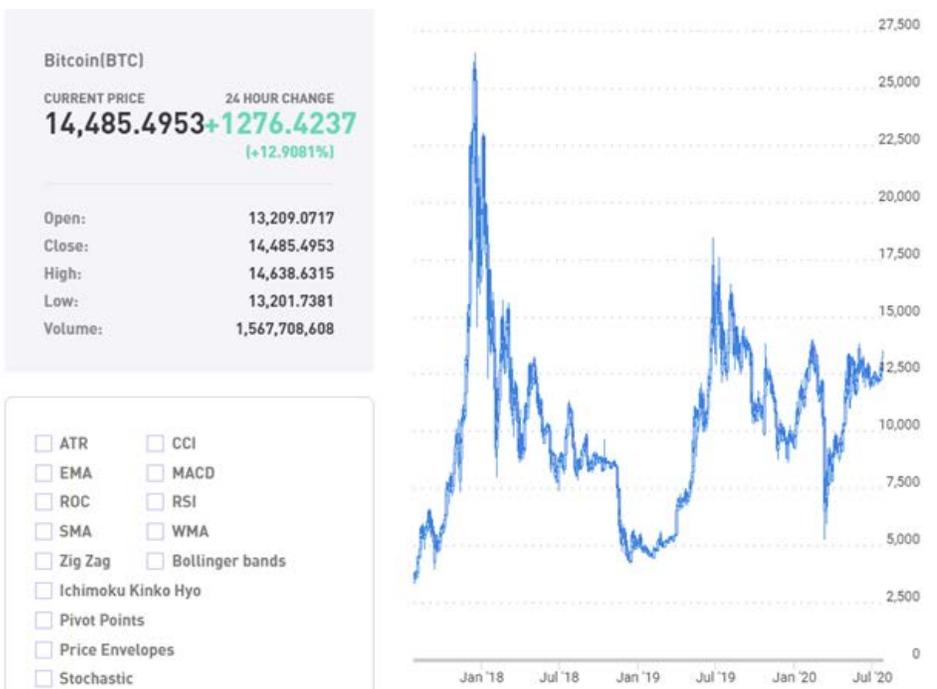


Insights From the Bitvo Trading Desk

Kenny Cheung
kenny@bitvo.com

After months of reduced volatility, the cryptocurrency market perked up with a vengeance as we enter the final week of July. Total cryptocurrency market cap rose 9.7% for the week and closed at US\$294 billion. Bitcoin saw a strong push over the weekend and crossed above the psychologically important US\$10,000 mark on Sunday night, up 8% for the week. Positive news regarding traditional finance and tech companies preparing to get involved in the crypto industry is contributing to the bullish sentiment. Visa and Mastercard are changing their tune on crypto and are actively increasing their exposure to the space. Perhaps the biggest news of the week came from the Office of the Comptroller of the Currency (OCC) who stated that all nationally chartered banks in the U.S. can offer custody of digital assets to their clients. This news coupled with the store of value and inflation hedge angle for Bitcoin, provided the necessary fuel to boost the slumbering asset. The current Bitcoin break out is significant as it is the first break above the descending trendline connecting December 2017 and June 2019 highs. Bitcoin has run into resistance between US\$10,000 to US\$10,500 over the past couple of years and, therefore, traders will be watching to see if this level can be maintained or surpassed.



As Bitcoin finally woke up, Ether had its best week of the year as it rose 30% to close the week at US\$311. Ether has also traded in the tight range over the past couple of months before breaking out this past week. DeFi tokens have garnered significant attention and price appreciation in recent weeks and some of that hype has finally made its way to Ether's price. The DeFi space continues to remain red hot and more updates regarding ETH 2.0 could also be positive. As of Sunday's close, Ether is up 142% YTD versus 39% for BTC.

Altcoin Headlines

- Yield farming DeFi tokens drew most of the attention from traders this past week. At the top of that list was a brand-new protocol token for yearn.finance (YFI). For traders who are looking to earn yield by lending out their assets, yearn.finance is a yield aggregator that automatically optimizes for yield by moving the lender's funds to the markets offering the best rates. YFI is the governance token for yearn.finance and was launched on July 17, 2020 without an existing allocation to the founders or early investors, making it the first major governance token in the DeFi space to do so. The price of the token soared following launch from US\$31.65 on July 18 to a high of US\$4,662 on July 25, a 14,630% increase in a single week. It pulled back to close the week at US\$3,165. At one point last week, the total value locked (TVL) in the protocol was over US\$400 million, making it a top three DeFi protocol in terms of TVL. YFI was able to capitalize on the yield farming DeFi craze but also set a strong precedent for how to launch a completely community-owned and operated decentralized protocol.
- Binance announced its second-quarter burn of US\$60 million of its native BNB token surpassing its prior all-time high from last quarter. While not explicitly based on revenue, the burns are indicative of trading volumes on the exchange and should generally reflect Binance's performance. Spot volume was relatively flat, but futures increased from US\$157 million in the first quarter to US\$263 million. BNB ended the week up 8.5% at US\$19.56.
- **Interested in trading altcoins not offered on Bitvo? Fund your Bitvo account, trade to Bitcoin, Ether or XRP and then transfer to a platform offering the desired token.**

Newsworthy Bits

- Coinsquare has agreed to settle with the Ontario Securities Commission (OSC) after it was found senior executives told employees to make fake trades on the platform. Coinsquare's senior executives have agreed to resign and pay \$2.2 million in fines after admitting to wash-trading \$5.5 billion between Q4/18 and Q1/19.
- All nationally chartered banks in U.S. can now offer digital asset custody services according to the Office of the Comptroller of the Currency (OCC). This is a major development for the crypto industry

that clears the way for national banks to hold digital assets for their clients. The move is praised as a step towards bringing crypto to the mainstream.

- Bitcoin is a form of money in Washington, D.C. under the money transmitter act. The ruling stated that money "commonly means a medium of exchange, method of payment, or store of value... Bitcoin is these things." Essentially this means that Bitcoin is treated as money in the context of money transmission licensing in D.C.
- China's state-backed Blockchain-based Service Network has integrated with six public chains including Tezos, NEO, Nervos, EOS, IRISnet and Ethereum. This is part of China's plan to be the one and only infrastructure provider for blockchain firms around the world.
- Signature Bank's crypto deposits grew US\$1 billion in Q2/20, a record increase for the crypto-friendly bank. The deposit growth is attributed to an increase across every business line in the bank, including the blockchain-based payment platform Signet.
- FTX will launch a decentralized exchange called Serum on top of the Solana blockchain. The DEX aims to solve some of the limitations in the existing DeFi space such as scalability and will be fully interoperable with Ethereum. Solana claims it can process 50,000 transactions per second, compared to Ethereum's 15.
- Visa and Mastercard are becoming more open to cryptocurrencies as they attempt to make inroads into the digital assets space. Mastercard announced it was extending its cryptocurrency programs and making it easier for companies to issue cryptocurrency cards on its network. Visa publicly stated the importance of crypto in extending digital payments and cited its partnerships with existing crypto businesses.

Bitvo Market Recap

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Bitvo's Proprietary Crypto Technical Analysis Scores

Crypto Market	Overall Technical Score	Short Term (0-5 days)	Medium Term (5-20 days)	Long Term (>20 days)
 Bitcoin	62.01 Excellent	61.99 Good	61.78 Excellent	62.26 Excellent
 Ether	63.9 Excellent	63.8 Excellent	63.66 Excellent	64.24 Excellent
 XRP	58.84 Good	62.94 Good	64.2 Excellent	49.05 Neutral
 Bitcoin Cash	51.66 Neutral	64.56 Excellent	56.7 Neutral	33.82 Weak
 Litecoin	57.3 Neutral	64.56 Excellent	61.78 Excellent	45.17 Neutral
 Dash	52.11 Neutral	65.82 Excellent	56.7 Neutral	33.82 Weak
 Ethereum Classic	52.59 Neutral	65.23 Excellent	60.27 Good	32.38 Poor

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bitvo.com

support@bitvo.com

1-833-862-4886

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