

Insights from the Bitvo Trading Desk

Joel Johnson

joel@bitvo.com

Yiannis Kanatas

yiannis.kanatas@bitvo.com

It has been a wild start to 2021 and we're only one week into the new year. After an incredible run to almost US\$42,000 (over C\$53,000), the price of Bitcoin pulled back overnight, almost touching US\$30,000 once again, the level at which it began 2021. This one-week, dramatic rise and then fall was not unique to Bitcoin. It was seen across most major cryptocurrencies. The price of Ether, the second largest cryptocurrency by market capitalization, has also experienced a 20%+ pullback overnight after significant gains last week. The total market capitalization of all cryptocurrencies is now US\$901B (it climbed to well over US\$1T last week, being off about 15% with the overnight pullback), of which Bitcoin comprises US\$612B and Ether comprises US\$115B. Please note that the graphed prices above are as of last night's close and do not account for the overnight correction.

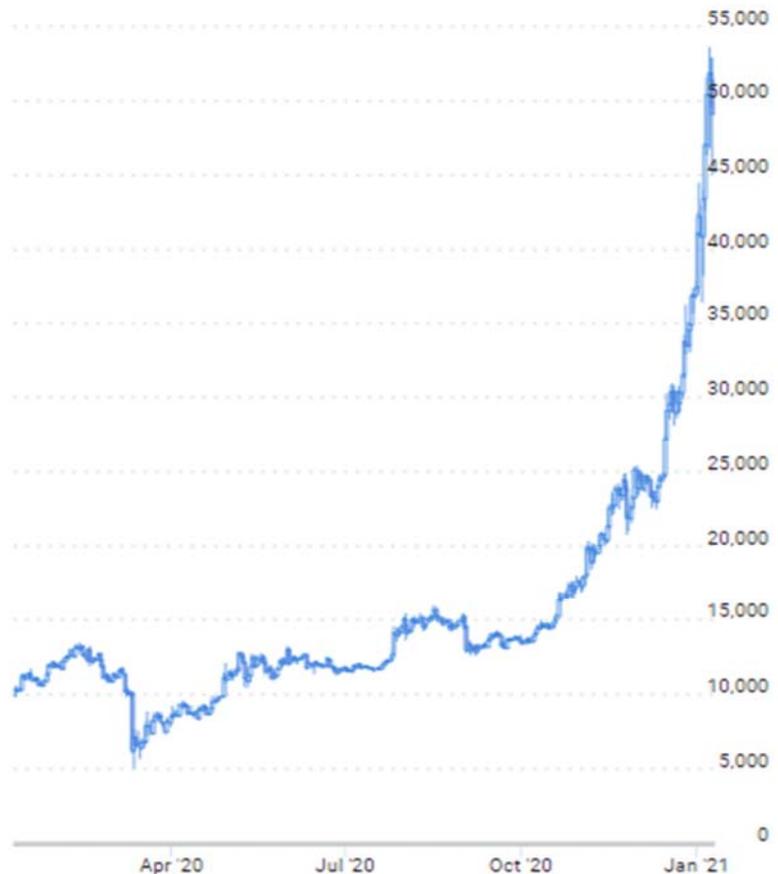
Bitcoin(BTC)

CURRENT PRICE

24 HOUR CHANGE

41,580.2259 **-7758.7488**
(-20.0876%)

Open:	49,338.9746
Close:	41,580.2259
High:	49,882.9043
Low:	38,672.8507
Volume:	10,374,658,523



Altcoin Headlines

- The price of altcoins rose and then fell last week, similar to Bitcoin. However, not all corrected to the same extent. The price of Dash, for example, remains up by over 30% over the last seven days. The price of ETH and XRP also remain up on a seven-day basis, up 3% and 24% respectively.
- On January 4th, the U.S. Office of the Comptroller of the Currency (OCC) issued an interpretive letter permitting national banks and Federal savings associations to use stablecoins and independent node verification to engage in and facilitate payment activities. According to the letter, banks can now validate, store, and record payments transactions by serving as a node on an independent node verification network (INVN). Likewise, a bank can use INVNs and related stablecoins to carry out other permissible payment activities. However, any stablecoin arrangements “should have the capability to obtain and verify the identity of all transacting parties, including for those using unhosted wallets.”
- **Interested in trading altcoins not offered on Bitvo? Fund your Bitvo account, purchase BTC, ETH or XRP and then transfer it to a platform offering the desired token.**

Other Newsworthy Bits

- Hedge fund SkyBridge is the most recent traditional institutional investor to gain exposure to cryptocurrencies, announcing last week that it had started the Skybridge Bitcoin Fund with US\$310 million in assets under management invested from its US\$3 billion flagship fund. “Imagine every model portfolio where gold has become an accepted asset class, every model portfolio has a 1% exposure to Bitcoin and you can see the magnitude of where Bitcoin could be,” SkyBridge founder and managing partner Scaramucci told Reuters.
- The Intercontinental Exchange, the owner the New York Stock Exchange and cryptocurrency platform Bakkt, announced a deal that would see Bakkt publicly listed. As reported by the Wall Street Journal, Bakkt is set to merge with VPC Impact Acquisition Holdings (“VPC”, trading under the ticker VIH). VPC is a special purpose acquisition company, or SPAC, essentially a shell company whose only purpose is to buy or merge with another company and allow it to be listed publicly on a stock exchange without undergoing an initial public offering. Bakkt is expected to be valued at US\$2.1 billion after completing the merger.

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	53.76 Neutral	46.25 Neutral	55.51 Neutral	59.42 Good
 Ether	57.75 Good	57.11 Neutral	56.71 Good	59.42 Good
 XRP	40.15 Poor	57.11 Neutral	33.63 Weak	30.7 Poor
 Bitcoin Cash	63.29 Excellent	65.69 Excellent	61.7 Excellent	62.43 Excellent
 Litecoin	53.83 Neutral	44.13 Neutral	56.71 Good	60.52 Excellent
 Dash	62.65 Excellent	66.48 Excellent	58.92 Good	62.43 Excellent

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

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bitvo.com

support@bitvo.com

1-833-862-4886

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