

Bitvo™



BITVO MARKET RECAP REPORT

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INSIGHTS FROM THE BITVO TRADING DESK

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WHAT HAPPENED IN CRYPTO LAST WEEK

Cryptocurrency traders continued to face challenging markets last week with some big headlines driving large price movements, which brought all major cryptocurrencies lower again on the week. More on the headlines below.

The price of Bitcoin dropped below US\$30,000 for the first time since the beginning of 2021. However, it is important to remember that heading into 2021, Bitcoin above US\$30,000 was an all-time high. How things change in a few short months in crypto.

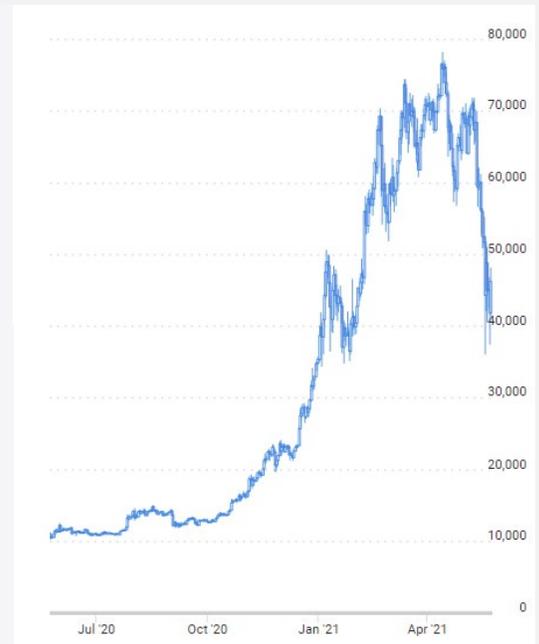
DeFi and, as a result, Ether were hit particularly hard last week as they seemed to play catch up to recent, more extreme drops in the price of Bitcoin.

As a result of the above, total cryptocurrency market capitalization shed US\$0.5T in a week and is now sitting at US\$1.7T, of which Bitcoin comprises US\$0.7T.

Bitcoin(BTC)

CURRENT PRICE **45,774.5355** 24 HOUR CHANGE **+644.4985**
(+1.7233%)

Open: 45,130.0370
Close: 45,774.5355
High: 48,230.3992
Low: 44,025.3152
Volume: 3,854,480,537



ALTCOIN HEADLINES

DeFi Gets Hit Hard

After outperforming the price of Bitcoin so far in 2021, prices in the DeFi space got hit hard last week. The FTX DeFi index lost 67% of its value intra-week before recouping some losses over the weekend and ultimately settling down 50% on the week.

The move sent the index back down to the levels where it started the year 2021. "Value Locked" in DeFi protocols dropped 45% in 9 days.

Vitalik Burns Coins

After receiving ~US\$8B worth of dog-themed meme coins as gifts from their creators and donating ~US\$1.6B of them two weeks ago, Ethereum co-founder Vitalik Buterin burned 90% of his SHIB holdings (~US\$6.7B) last week.

Buterin said, "I've decided to burn 90% of the remaining Shiba tokens in my wallet. The remaining 10% will be sent to a (not yet decided) charity with similar values to cryptorelief (preventing large-scale loss of life) but with a more long-term orientation."

Ether Not Spared

Ether, being the native token of the Ethereum blockchain upon which many DeFi protocols are built, also took its blows last week being down over 40% on the week.

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NEWSWORTHY BITS

What Happened?!?

As mentioned above, last week saw some wild moves in cryptocurrency prices that were primarily headline driven. This was the second straight week of challenging headlines in the space after Musk and Tesla's announcements the prior week.

Last week, major moves were driven by headlines out of China as well as potential U.S. tax implications. Here is a summary of what happened.

China's Heavy Hand

On Tuesday, the People's Bank of China reminded financial institutions that they cannot provide saving, trust or pledging services of crypto, nor issue crypto-related financial products following China's 2017 ban of crypto exchanges.

Then, over the weekend, Chinese authorities called for a further crack down on Bitcoin mining and trading with Chinese Vice Premier Liu He and the State Council stating that tighter regulation is needed to protect the financial system.

The U.S. Weighed In

Tax regulators in the U.S. sought to clarify and strengthen regulation around cryptocurrency trading. First it was reiterated on Monday that the IRS treats cryptocurrency as property, not currency, and taxes it as such.

The Treasury also said the Biden administration's proposal to strengthen tax collection, especially among America's rich who the government says hide half of their income, requires transfers of at least US\$10,000 of cryptocurrency be reported to the IRS.

Supporters Held Strong

And this week those supporters seemed to once again include Elon Musk who tweeted "Tesla has  ", generally considered a signal of holding positions in times of market selloffs.

Michael Saylor, CEO of MicroStrategy, claimed that entities he controls have now acquired ₿111,000 and they "have not sold a single satoshi".

Tom Brady tweeted, "Over here we just buy the dip!"

Big Banks Roll In

Wells Fargo became the latest large U.S. financial institution, following Goldman Sachs, JP Morgan and Morgan Stanley, to announce plans to offer its clients crypto exposure. Wells Fargo plans to launch its crypto vehicle mid-June.

The Wells Fargo Investment Institute stated, "Cryptocurrencies have gained stability and viability as assets, but the risks lead us to favor investment exposure only for qualified investors, and even then through professionally managed funds."

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BITVO'S CRYPTO TECHNICAL ANALYSIS SCORE

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Crypto Market	Overall Technical Score	Short Term (0-5 days)	Medium Term (5-20 days)	Long Term (>20 days)
 Bitcoin	39.22 Weak	54.98 Neutral	32.58 Poor	31.04 Poor
 Ether	40.47 Weak	45.36 Neutral	35.45 Weak	40.75 Neutral
 XRP	36.11 Poor	35.15 Weak	32.58 Poor	40.75 Neutral
 Bitcoin Cash	39.74 Weak	47.27 Neutral	33.79 Weak	38.46 Weak
 Litecoin	35.78 Poor	41.79 Neutral	33.13 Poor	32.65 Poor
 Dash	64.44 Excellent	62.63 Good	65.55 Excellent	65.12 Excellent

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