

Upcoming Events

- Feb 11th-20th: ETHDenver
- Feb 15th: Senate Stablecoin Hearing

Weekly Thoughts

Bitcoin (BTC) and Ethereum (ETH) price structures have both nearly completed a technical bullish reversal pattern known as an inverted head and shoulders. Hallmarks of this frequent price fractal include a series of three lows, with an extreme middle low, and a descending volume profile. This triple bottom process began in the beginning of the year and carries significant breakout potential, should price exceed neckline resistance. Pattern failure at the breakout zone would likely result in a re-test of the current mid-January lows. Additionally, both crypto assets show bullish low timeframe moving average crosses for the first time since late November, with growing potential for a bullish golden cross towards the beginning of the Q2 2022.

Bitcoin exchange balances, a marker for immediately available supply, have continued to decline over the past two years. Inversely, stablecoin circulating supplies have increased substantially relative to Bitcoin's market cap, in the same time period. Collectively, this suggests increasing buying power of the circulating stablecoin supply.

Please see important disclosure on next page.

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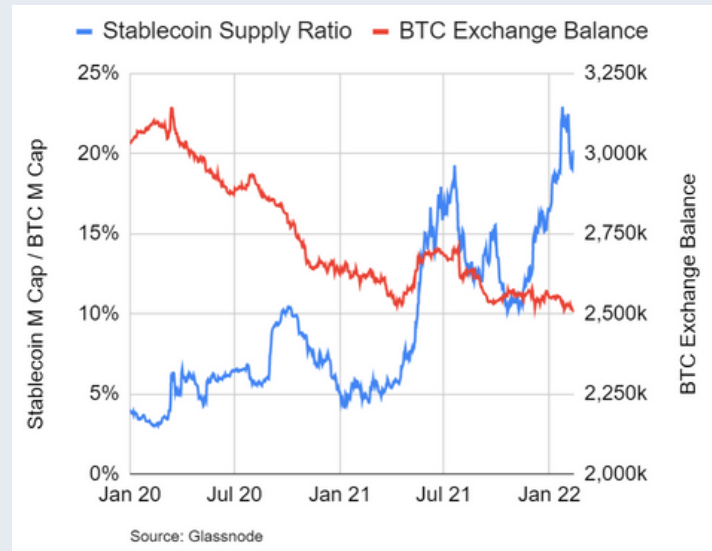


| Crypto | Ticker | Price (\$) | Returns (%) | | | | | M Cap (bn) | Consensus | Annualized | | | |
|--------------|--------|------------|-------------|---------|---------|--------|---------|------------|-----------|--------------|-----------------|------------|--------|
| | | | 1 week | 1 month | 3 month | YTD | 1 year | | | Issuance (%) | Stake Yield (%) | Volatility | Sharpe |
| Bitcoin | BTC | 42362.21 | 1.38 | 10.78 | -29.06 | -7.73 | -11.05 | 808.37 | PoW | 1.77 | N/A | 0.74 | 0.17 |
| Ethereum | ETH | 2914.67 | 2.63 | 9.61 | -29.98 | -19.86 | 65.62 | 352.44 | PoW | 4.19* | N/A* | 0.99 | 0.89 |
| Binance Coin | BNB | 399.27 | 1.13 | 7.45 | -31.72 | -21.28 | 209.50 | 66.46 | PoS | 9.26 | 0.00 | 1.41 | 1.42 |
| Solana | SOL | 95.36 | 4.81 | -2.23 | -55.56 | -42.68 | 1002.24 | 31.06 | PoS | 4.91 | 5.86 | 1.50 | 2.33 |
| Terra | LUNA | 53.38 | 5.18 | 4.01 | 25.51 | -36.45 | 896.18 | 21.54 | PoS | 2.30 | 7.91 | 1.77 | 2.14 |
| Avalanche | AVAX | 81.85 | 6.05 | 19.72 | -5.12 | -23.35 | 178.77 | 19.99 | PoS | 6.02 | 9.24 | 1.56 | 1.18 |
| Polkadot | DOT | 22.10 | 1.79 | 15.14 | -55.99 | -16.19 | -2.91 | 18.61 | PoS | 8.72 | 13.99 | 1.32 | 0.37 |
| Polygon | MATIC | 1.86 | 11.32 | 17.81 | 9.16 | -23.19 | 2628.05 | 12.43 | PoS | 4.72 | 12.50 | 1.87 | 2.25 |
| Cosmos | ATOM | 31.93 | 2.93 | 14.75 | -9.94 | -0.45 | 127.05 | 7.67 | PoS | 9.39 | 13.48 | 1.52 | 0.92 |
| Tron | TRX | 0.07 | 2.54 | 14.36 | -40.73 | -9.88 | 67.98 | 6.60 | PoS | 1.91 | 6.85 | 1.21 | 0.66 |
| Algorand | ALGO | 1.06 | 6.59 | 14.92 | -43.89 | -34.13 | 8.72 | 5.98 | PoS | 2.24 | 0.63 | 1.35 | 0.28 |
| Fantom | FTM | 1.91 | 3.29 | -4.46 | -11.41 | -13.17 | 1025.93 | 4.97 | PoS | 7.16 | 4.74 | 2.02 | 2.03 |
| Dash | DASH | 102.20 | 1.70 | 10.07 | -47.72 | -22.40 | -60.17 | 1.10 | PoW/PoS | 2.83 | 5.83 | 1.27 | -0.09 |
| Zilliqa | ZIL | 0.05 | 1.08 | 6.91 | -48.27 | -35.58 | -63.30 | 0.60 | Other | 11.33 | 13.87 | 1.44 | -0.05 |

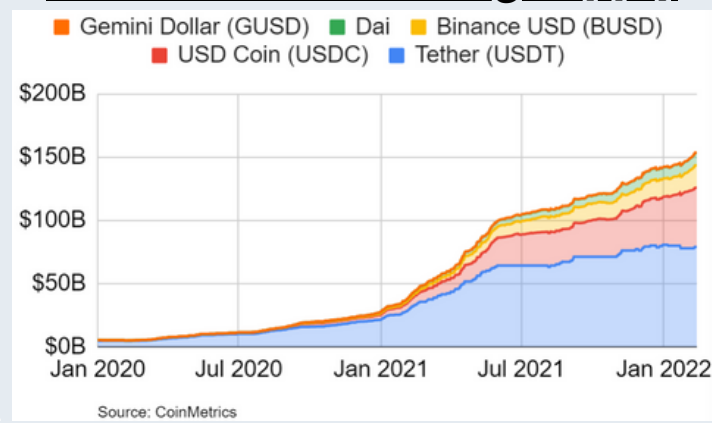
| TradFi | | Returns (%) | | | | | | |
|----------------|------------|-------------|---------|---------|--------|--------|------------|--|
| Ticker | Price (\$) | 1 week | 1 month | 3 month | YTD | 1 year | M Cap (bn) | |
| S&P 500 | SPX | 4418 | -1.82 | -5.24 | -5.64 | -7.29 | 12.30 | |
| Nasdaq 100 | NDX | 14253 | -3.00 | -8.70 | -12.01 | -12.66 | 3.23 | |
| Russell 2000 | RUT | 2030 | 1.39 | -6.12 | -15.82 | -9.58 | -11.32 | |
| Dow Jones Ind. | DJI | 34738 | -1.00 | -3.27 | -3.77 | -4.40 | 10.43 | |
| Gold | GC00 | 1863 | 2.31 | 2.53 | -0.08 | 1.79 | 2.11 | |

| Stablecoins | | DeFi APYs (%) | | |
|---------------|-------------|---------------|--------|------|
| Ticker | Supply (bn) | Lend | Borrow | |
| Tether | USDT | 78.46 | 2.07 | 3.38 |
| USD Coin | USDC | 52.30 | 2.25 | 3.52 |
| Binance USD | BUSD | 17.59 | 0.84 | 2.06 |
| MakerDAO | DAI | 10.25 | 2.58 | 3.99 |
| Gemini Dollar | GUSD | 0.26 | 1.55 | 2.88 |

Supply and Buying Power



Stablecoin Circulating Supply



Bitcoin Price Structure



Ethereum Price Structure



Crypto and 10-Year Treasury Yield





Weekly Crypto Market Review - Feb 14th, 2022

Upcoming Events, Weekly Thoughts: Source: Valkyrie Investments, Inc.

Coin Prices, Market Capitalizations, and Returns: Source: Valkyrie Investments, Inc., TradingView, Messari. All returns represent total return for stated period.

Consensus: Source: Valkyrie Investments, Inc., Messari - Proof of Work (PoW), Proof of Stake (PoS), Other - indicating hybrid PoS or unique PoS consensus.

Annualized Issuance, Staking Yield, Volatility, and Sharpe Ratio: Source: Valkyrie Investments, Inc., Messari, StakingRewards.com. *ETH's EIP-1559 token burn and ETH-2 staking not included.

"TradFi" prices and returns: Source: Valkyrie Investments, Inc., MarketWatch. "S&P 500" provided by Standard & Poor's and is a stock market index tracking the performance of 500 large companies listed on stock exchanges in the United States, "Nasdaq 100" provided by NASDAQ OMX Group and includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization. "Russell 2000" provided by FTSE Russell and is a small-cap stock market index that makes up the smallest 2,000 stocks in the Russell 3000 Index. "Dow Jones Ind." provided by S&P Dow Jones Indices and is a price-weighted measurement stock market index of 30 prominent companies listed on stock exchanges in the United States. "Gold" provided by NYMEX - CME Group and is continuous futures product. All returns represent total return for stated period.

Stablecoin supply provided by CoinMetrics, DeFi APYs provided by DeFiRate.com and represent the 30-day average of rates offered on the Compound and AAVE platforms.

Stablecoin Circulating Supply: Source: Valkyrie Investments, Inc., CoinMetrics

Bitcoin Price Structure: Source: Valkyrie Investments, Inc., TradingView - INDEX:BTCUSD, provided by TradingView

Ethereum Price Structure: Source: Valkyrie Investments, Inc., TradingView - INDEX:ETHUSD, provided by TradingView

Crypto and 10-Year Treasury Yield: Source: Valkyrie Investments, Inc., TradingView - INDEX:BTCUSD, INDEX:ETHUSD, provided by TradingView, TNX:10-year Treasury Note Yield provided by CBOE

Supply and Buying Power: Source: Valkyrie Investments, Inc., Glassnode - Stablecoin Supply Ratio (SSR) is the ratio between Bitcoin supply and the supply of stablecoins, or stablecoin market cap / BTC market cap. Stablecoin supplies include USDT, TUSD, USDC, USDP, GUSD, DAI, SAI, and BUSD. SSR serves as a proxy for the supply/demand mechanics between BTC and USD. When the SSR is high, the current stablecoin supply has more "buying power" to purchase BTC. BTC exchange balances include the total amount of coins held on exchange addresses. Exchanges include; Binance, Bitfinex, Bithumb, BitMEX, Bitstamp, Bittrex, Coinbase, Coincheck, FTX, Gate.io, Gemini, HitBTC, Huobi, Kraken, KuCoin, Luno, OKEx, Poloniex

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