

Weekly Thoughts

Since the beginning of the year, Bitcoin and Ethereum price action had been indicative of a potential bullish reversal pattern. This consolidation failed to resolve in a bullish move past the \$45,000 resistance level last week. All of this occurred in the setting of uncertainty surrounding the Russian-Ukraine conflict and likely FED rate hike schedule. Markets are likely to remain hyper-reactive in the near-term to any news regarding either topic. Should downward volatility persist, support for Bitcoin stands at the previous local low of \$34,000, based on previous demand in that area. A move above the 200-day moving average at \$46,000 would signify a bullish trend shift.

Zooming out, price remains well within the 2021 range, with strong support from \$32,000 to \$37,000, based on the historic volume of the range. Seasonality also dictates a much more bullish outlook for Q2 rather than Q1. The current poor performance year-to-date is well within historic norms of negative returns for this time period.

Irrespective of price, monthly average hashrates for both Bitcoin and Ethereum have continued to rise substantially over the past few months, with both networks' hashing power climbing nearly 100% since the China mining exodus in mid-2021.

Please see important disclosure on next page.

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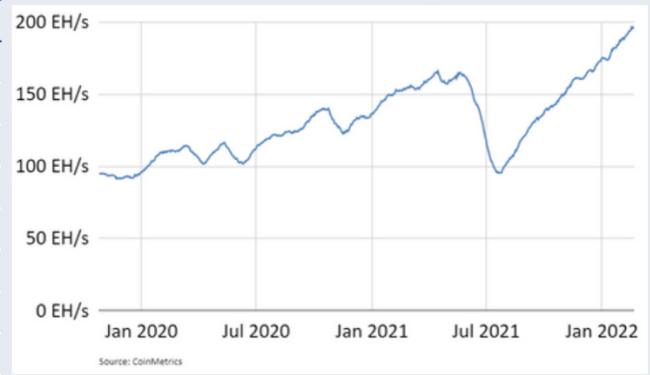


Crypto	Ticker	Price (\$)	Returns (%)					M Cap (bn)	Consensus	Annualized			
			1 week	1 month	3 month	YTD	1 year			Issuance (%)	Stake Yield (%)	Volatility	Sharpe
Bitcoin	BTC	37303.13	-2.15	-2.41	-34.28	-18.71	-23.18	712.43	PoW	1.77	N/A	0.74	-0.27
Ethereum	ETH	2571.95	-1.15	-3.73	-39.37	-29.55	64.12	309.92	PoW	4.19*	N/A*	1.00	0.69
Binance Coin	BNB	360.93	-4.05	-2.56	-38.22	-28.61	57.57	60.27	PoS	0.00	8.09	1.14	0.73
Solana	SOL	84.06	-6.16	-14.48	-58.62	-49.90	459.32	27.23	PoS	5.01	5.96	1.47	2.10
Terra	LUNA	51.41	6.78	0.89	36.41	-38.42	680.62	20.40	PoS	2.30	8.16	1.76	2.07
Avalanche	AVAX	71.13	-5.84	3.87	-36.97	-33.54	163.80	17.83	PoS	6.00	9.25	1.56	1.21
Polkadot	DOT	16.22	-3.31	-15.72	-57.32	-38.63	-52.72	16.14	PoS	8.22	13.99	1.31	-0.02
Polygon	MATIC	1.41	-5.17	-12.90	-15.11	-43.24	945.64	10.79	PoS	4.72	12.50	1.86	1.97
Cosmos	ATOM	23.96	-6.56	-13.28	-17.77	-24.76	21.29	6.98	PoS	9.49	13.51	1.51	0.81
Tron	TRX	0.06	-1.53	3.22	-37.76	-18.71	36.03	6.23	PoS	1.90	6.70	1.20	0.61
Algorand	ALGO	0.79	-4.53	-15.31	-53.79	-51.43	-19.93	5.33	PoS	2.24	0.63	1.35	0.34
Fantom	FTM	1.54	-9.08	-23.31	-39.50	-30.34	249.87	3.99	PoS	7.18	5.19	1.94	1.60
Dash	DASH	89.19	-6.85	-3.23	-55.41	-31.84	-60.61	0.97	PoW/PoS	2.83	5.82	1.25	-0.33
Zilliqa	ZIL	0.04	-9.00	-11.71	-54.19	-46.80	-62.32	0.49	Other	11.31	13.87	1.44	-0.14

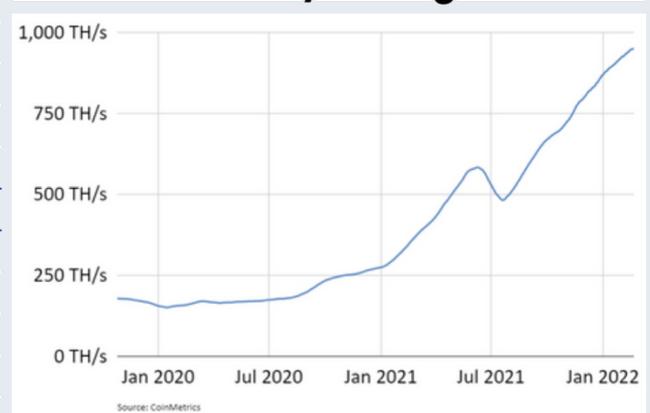
TradFi		Returns (%)						
S&P 500	SPX	4348	-1.58	-1.12	-7.43	-8.76	11.32	
Nasdaq 100	NDX	14009	-1.71	-2.97	-15.47	-14.16	3.16	
Russell 2000	RUT	2009	-1.03	1.08	-14.25	-10.51	-11.35	
Dow Jones Ind.	DJI	34079	-1.90	-0.54	-4.28	-6.22	8.21	
Gold	GC00	1904	1.68	3.32	5.54	4.05	5.28	

Stablecoins		DeFi APYs (%)			
Ticker	Supply (bn)	Lend	Borrow		
Tether	USDT	79.09	1.90	3.23	
USD Coin	USDC	52.62	1.95	3.28	
Binance USD	BUSD	18.11	1.41	2.64	
MakerDAO	DAI	10.16	1.11	3.89	
Gemini Dollar	GUSD	0.29	1.55	2.48	

Bitcoin Monthly Average Hashrate



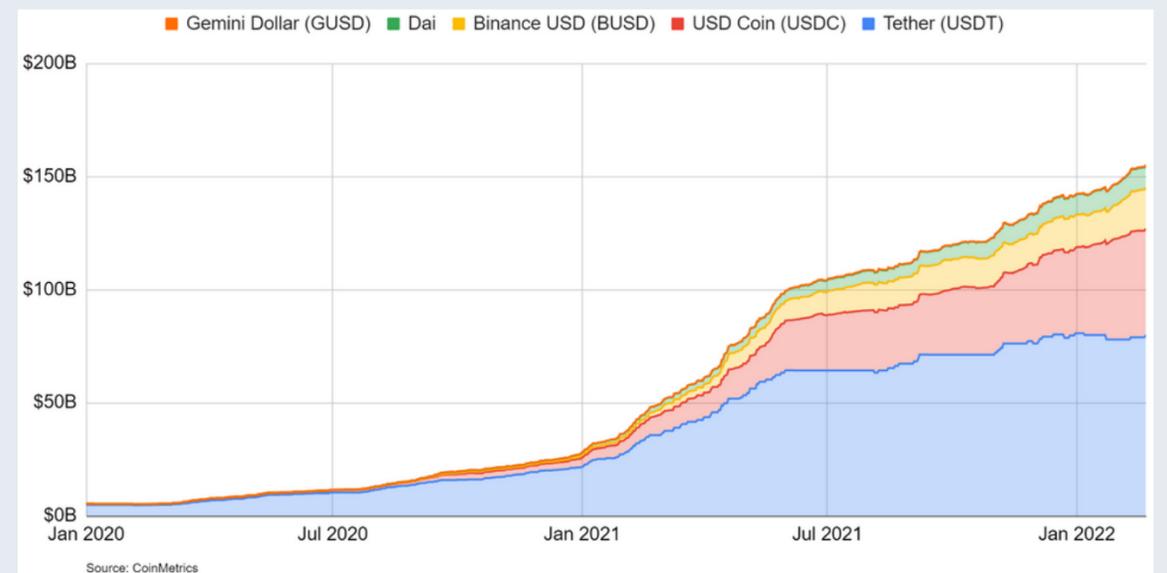
Ethereum Monthly Average Hashrate



Bitcoin Quarterly Price Change

	Q1	Q2	Q3	Q4	Mean
2010				389%	-
2011	162%	1969%	-68%	-7%	514%
2012	4%	40%	86%	11%	35%
2013	600%	-2%	35%	467%	275%
2014	-37%	41%	-40%	-18%	-14%
2015	-22%	7%	-10%	81%	14%
2016	-3%	61%	-10%	58%	27%
2017	11%	128%	76%	219%	109%
2018	-50%	-6%	3%	-40%	-23%
2019	10%	160%	-23%	-14%	33%
2020	-10%	42%	17%	157%	51%
2021	100%	-38%	25%	6%	23%
2022	-18%				-18%
Mean	62%	218%	8%	109%	
Mean Post-2013	-2%	49%	5%	56%	

Stablecoin Circulating Supply





Weekly Crypto Market Review - Feb 22nd, 2022

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.

Bitcoin Monthly Average Hashrate, Ethereum Monthly Average Hashrate, Stablecoin Circulating Supply: Source: Valkyrie Investments, Inc., CoinMetrics

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

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