

Weekly Thoughts

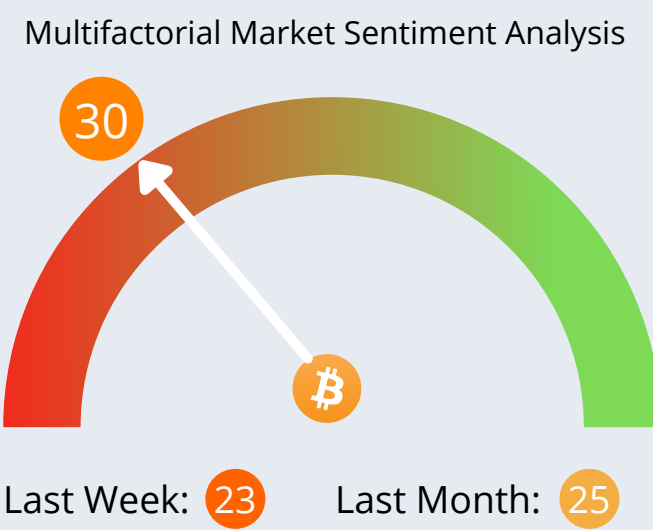
Bitcoin continues range-bound consolidation into the final weeks of the first quarter of the year. The current price consolidation appears to be similar to the range-bound consolidation period of Q1 2019. Near-dated futures contracts currently hold essentially no premium over spot while far-dated futures contracts hold a relatively modest 2% premium over spot. Open interest on the futures and options platform Deribit shows nearly \$3 billion in Bitcoin options contracts expiring March 25th. Bitcoin is currently down 11% on the quarter, well within the expectations of performance based on prior year Q1s, historically. Since 2013, Bitcoin's strongest quarters have been Q2s and Q4s, averaging about +50%, while Q1s and Q3s have averaged around +2%.

Technical analysis for Bitcoin continues to suggest the formation of an ascending triangle, which historically carries a bullish bias. The chart pattern yields a 1.618 fibonacci extension and measured move of \$50,000 to \$55,000 and remains active so long as no lower lows in price are achieved. The probability of this pattern resolving as expected declines significantly once price breaches the diagonal support. Significant downside volume support sits from \$32,000 to \$38,000, should the pattern fail. The 200-day exponential moving average (EMA) also sits at \$44,500, matching the horizontal resistance on the ascending triangle. The 200-day EMA is also used as a litmus test for bullish or bearish trends. A price breach above this level would signify a bullish trend reversal.

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	41072.01	-0.38	-4.78	-15.92	-11.00	-23.99	781.03	PoW	1.77	N/A	0.75	-0.13
Ethereum	ETH	2908.97	2.88	0.75	-26.69	-19.88	75.19	353.55	PoW	4.19*	N/A*	0.99	0.89
Binance Coin	BNB	393.90	1.82	0.56	-24.78	-22.16	55.99	65.72	PoS	0.00	7.80	1.08	0.90
Terra	LUNA	94.18	4.76	4.01	8.67	11.12	391.75	34.56	PoS	2.30	6.41	1.71	1.72
Solana	SOL	89.16	0.85	-10.38	-50.27	-47.41	503.85	28.64	PoS	4.85	5.81	1.42	1.92
Avalanche	AVAX	88.00	4.10	4.45	-28.39	-19.19	202.66	23.61	PoS	5.06	9.13	1.49	1.41
Polkadot	DOT	18.79	1.18	-0.55	-25.12	-29.19	-46.51	18.63	PoS	8.28	13.93	1.30	0.14
Polygon	MATIC	1.47	0.68	-8.84	-37.87	-41.54	326.04	11.35	PoS	4.78	11.93	1.75	1.56
Cosmos	ATOM	27.96	0.41	-10.97	18.00	-13.76	45.42	8.00	PoS	9.82	14.12	1.51	0.96
Tron	TRX	0.06	-0.34	-0.89	-22.24	-18.62	3.93	6.23	PoS	1.90	6.17	1.17	0.60
Algorand	ALGO	0.79	8.74	-7.20	-40.71	-51.42	-26.92	5.34	PoS	2.24	0.63	1.32	0.36
Fantom	FTM	1.27	3.84	-27.25	-12.35	-42.25	229.55	3.31	PoS	7.15	5.12	1.83	1.40
Dash	DASH	119.07	5.68	21.61	-8.51	-8.59	-40.84	1.30	PoW/PoS	2.83	5.88	1.25	0.13
Zilliqa	ZIL	0.04	0.59	-1.08	-31.64	-42.32	-73.40	0.54	Other	11.26	13.87	1.33	-0.34

TradFi		Stablecoins		DeFi APYs (%)	
Ticker	Price (\$)	Ticker	Supply (bn)	Lend	Borrow
S&P 500	SPX	4463	80.79	2.55	3.75
Nasdaq 100	NDX	14420	53.00	1.71	3.08
Russell 2000	RUT	2086	17.80	2.74	4.16
Dow Jones Ind.	DJI	34754	9.91	2.18	3.66
Gold	GC00	1924	0.39	1.03	2.38

Bitcoin Fear and Greed Index



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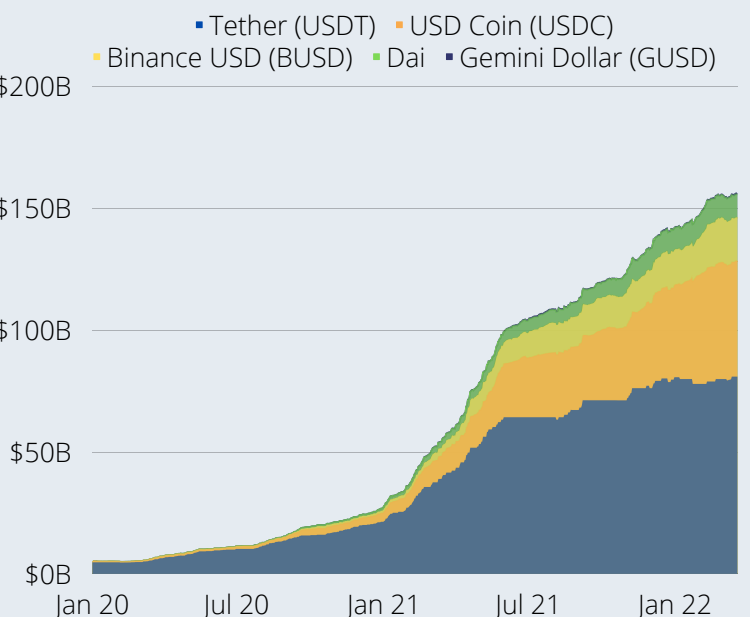
Bitcoin Ascending Triangle



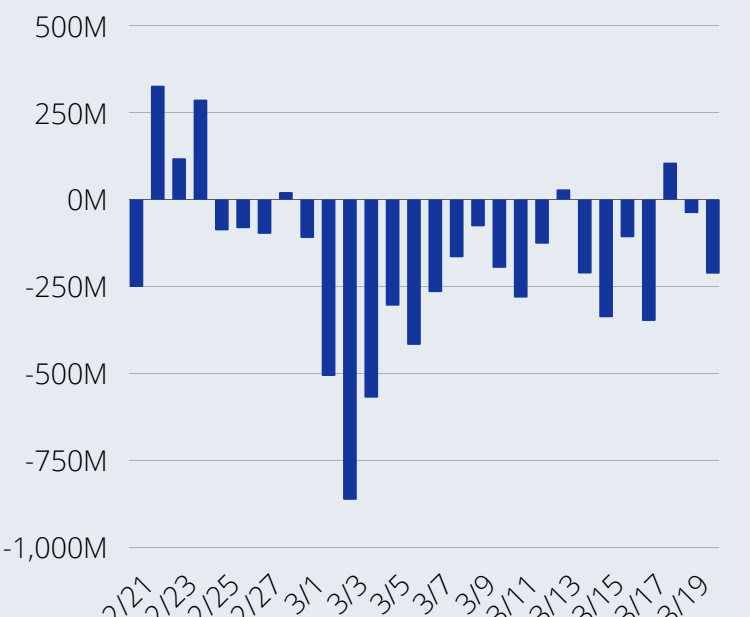
Bitcoin Monthly Average Hashrate



Stablecoin Circulating Supply



Stablecoin Net Exchange Flow



Macro Commentary

Last week, the Federal Open Market Committee (FOMC) announced the first rate hike since December 2018, raising rates 25 basis points to 0.50%. The expected move is the first of 7 hikes currently projected. The FOMC also provided better color on its strategy to reduce the Fed's balance sheet, currently at almost \$9 trillion, mainly comprised of treasury's and agency mortgage-backed securities. The Fed's reduction strategy could start as soon as May and strategists describe the effect equivalent to at least one rate hike. Fed Chairman Powell provided more comments this morning at an economic conference suggesting a more aggressive approach using 50 basis point hikes instead of the anticipated 25 basis point move. Markets moved lower after comments reinforced Fed's mission to stay transparent and allow markets to react organically rather than sudden movements which feed volatility.

Week over week, equities moved higher by almost 6%, despite a pullback Wednesday afternoon reacting to Fed's move. Similarly, the 10-year treasury yield rose about 10 basis points to end the week at 2.15%, but jumped higher this morning to the 2.30% level.

The Russo-Ukrainian War continues into the 4th week with little signs of success for ceasefire negotiations. Oil analysts are reporting changes in distribution channels due to the continued fallout between Russia and Ukraine. Oil futures turned lower and breached the \$100 per barrel level mid-week, but the reprieve was short lived as prices climbed higher by Friday. Recent headlines concerning a possible European Union ban of Russian oil caused futures to jump higher to \$116 a barrel. Unfortunately, the dependency of the EU for Russian sourced oil is higher than the US, which already implemented an oil embargo two weeks ago.

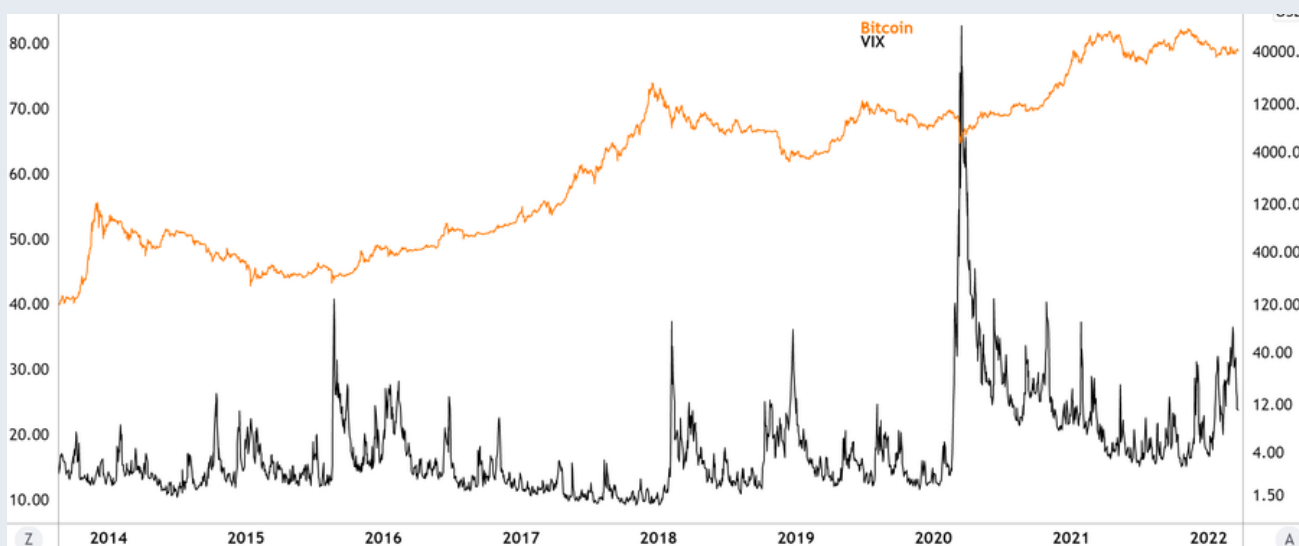
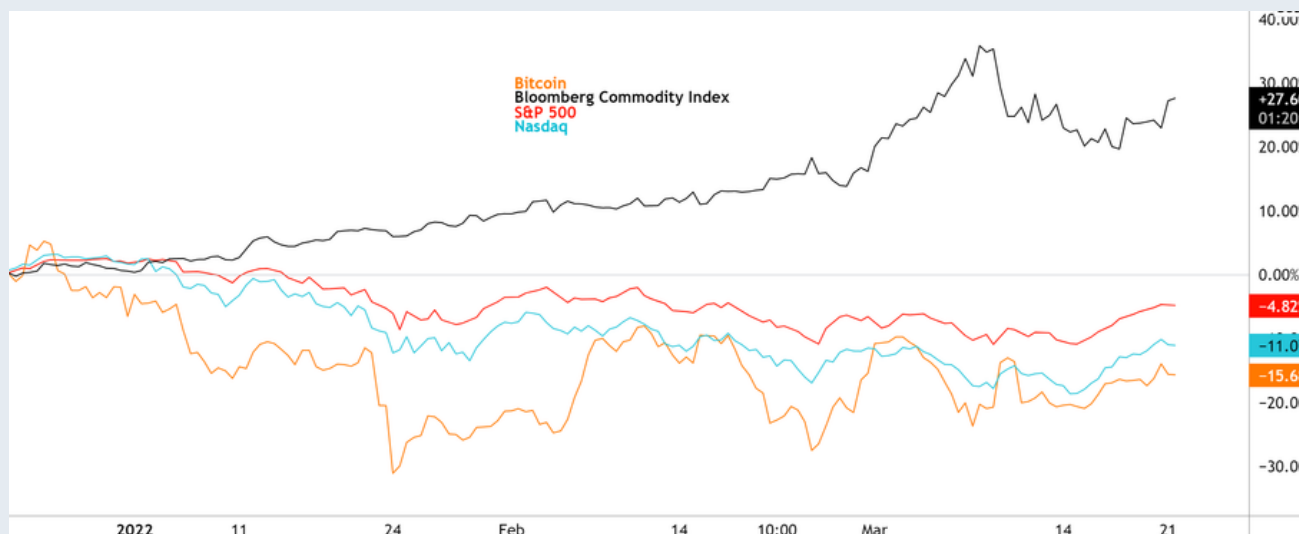
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Commodity	Ticker	Price (\$)	Returns (%)				
			1 week	1 month	3 month	YTD	1 year
Crude Oil	CL1	108.85	6.68	18.83	58.64	44.36	77.26
Brent Crude	BRN00	112.62	6.25	15.76	56.34	44.55	75.24
Natural Gas	NG00	4.84	2.82	8.93	26.24	34.94	85.41
Unleaded Gas	RB00	3.35	6.40	25.18	59.29	51.24	71.60
Gold	GC00	1924.00	-1.48	1.24	7.41	5.12	10.69
Silver	SI00	25.21	-0.18	5.28	13.20	7.96	-2.40
Copper	HG00	4.68	3.83	3.70	8.75	4.96	12.99
Corn	C00	750.5	0.74	14.62	26.93	26.67	36.27
Wheat	W00	1094.00	0.18	36.74	40.69	42.06	73.97
Bloomberg Commodity Index	BCOM	125.12	-0.98	12.12	29.80	26.20	48.08
Bitcoin	BTC	41072.01	-0.38	-4.78	-15.92	-11.00	-23.99



News Review

[Michael Chobanian, Founder of Ukrainian Digital Asset Exchange, Explains Impact of Crypto Donations at recent U.S. Senate Hearing.](#)

"We receive money instantly, we can spend money instantly. We can attract donations from pretty much any place in the world, even countries which don't have access to banking, but they have crypto."

- [Ukrainian Government Legalizes Crypto Sector](#)
- [Australian and Danish Journalists Buy Cars With Bitcoin in Ukraine To Flee Russian Invasion](#)
- [EU Economic Committee Votes No on Proof-of-Work Mining Ban](#)
- [Market Making Giant Virtu Eyes Role as Wholesale Service for Crypto Brokers](#)
- [Binance and FTX Win Crypto Licenses From Dubai, Bahrain](#)
- [AirBNB Considers Adding Cryptocurrency Payments](#)
- [Visa Looking to Hire College Students to Develop In-House Crypto Talent](#)
- [\\$450M Raise Values Ethereum Builder ConsenSys at \\$7B as Wallet Provider MetaMask Tops 30M Users](#)
- [Bank of Canada and Massachusetts Institute of Technology announce joint Central Bank Digital Currency collaboration](#)
- [After Walt Disney, Robert Iger Heads to the Metaverse](#)
- [Facebook and Instagram may help you create and sell NFTs](#)



Weekly Crypto Market Review - March 21st, 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 a 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 Fear and Greed Index Source: Valkyrie Investments, Inc., alternative.me and represents a multifactorial sentiment analysis index of volatility, market momentum and volume, social media, bitcoin market cap dominance, and Google trends

Bitcoin Ascending Triangle: Source: Valkyrie Investments, Inc., TradingView

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

Stablecoin Net Exchange Flow: Source: Valkyrie Investments, Inc., Nansen and represent wallet inflows and outflows of Tether, USD Coin, Binance USD, PAX, and Huobi USD through crypto exchanges, including but not limited to; Binance, Curve.fi, AnySwap, Crypto.com, Uniswap, Hop Protocol, OKEx, Kucoin, dYdX, Coinbase, Kraken, Huobi, FTX, Gemini, FTX US, CoinList, SushiSwap, Gate.io, Balancer, BitMEX, Bitfinex, Bittrex, Binance US, Bitstamp, BlockFi, Paxos, Celsius, Alameda OTC, Poloniex, HitBTC, Bancor, Kyber, and ShibaSwap.

"Commodity" prices and returns: Source: Valkyrie Investments, Inc., Wall Street Journal. Bloomberg Commodity Index provided by Bloomberg and tracks prices of futures contracts on physical commodities on the commodity markets. All returns represent total return for stated period. Volatility Index (VIX) provided by Chicago Board Options Exchange's and measures expectations of volatility based on S&P 500 index options.

Past performance is not indicative of future results. Investments may be speculative, illiquid and there is a risk of total loss. There is no guarantee that any specific outcome will be achieved. This is not an offer to buy or sell securities. We do not offer legal, tax or financial advice. Information is purported to be as of the time period provided therein. Charts/graphs are for illustrative purposes only.

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