

Key Takeaways

- Despite significant bearish pressure, Bitcoin remains within the 2021 price range
- Bitcoin's YTD price consolidation continues to resemble an ascending triangle
- Terra's algorithmic stablecoin UST continues to grow a Bitcoin reserve

Weekly Thoughts

Bitcoin has experienced sustained and relentless selling pressure over the past week, declining nearly 15%. Technical analysis suggests the confluence of the 200-day moving average, yearly pivot, and 2021 volume range have all acted as significant resistance at the \$48,000 level. Despite a failed breakout of the multi-month ascending triangle consolidation at the \$45,000 resistance level, a reach for the measured move of the pattern at the \$50,000 level remains a remote possibility. This target becomes nullified with a price breach below the diagonal support of \$39,500. Nevertheless, despite the significant intraweek volatility, price remains well within the established 2021 range from \$30,000 to \$60,000. On-chain data suggests holders and unperturbed by the volatile range. Over the past year, 63.5% of all Bitcoins in circulation have not moved on the chain, a new record.

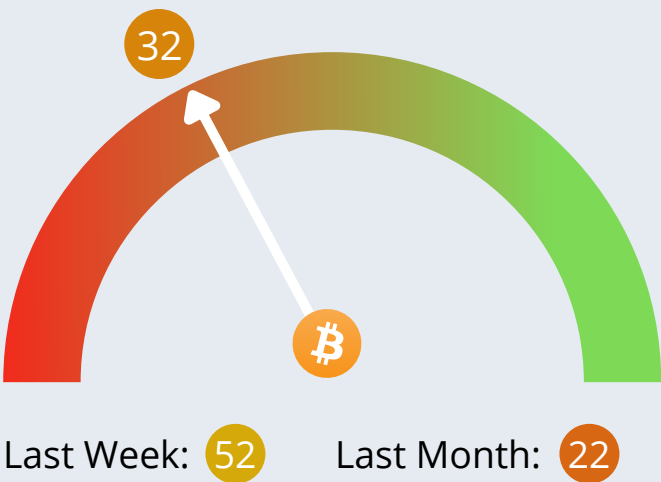
The Bitcoin reserve for the algorithmic stablecoin UST, on the Terra blockchain, continues to grow and now holds 39,897 BTC valued at \$1.63 billion. Algorithmic stablecoins are not backed by a reserve asset and have historically been unable to maintain a \$1 peg. The Bitcoin reserve is intended to act as a backstop to help defend the \$1 peg. The Luna Foundation Guard has unveiled plans to increase these Bitcoin reserves to at least \$3 billion and as much as \$10 billion.

| 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 | 41418.02 | -2.44 | -9.65 | -3.78 | -10.98 | -31.26 | 781.95 | PoW | 1.77 | N/A | 0.74 | -0.06 |
| Ethereum | ETH | 3092.11 | -4.69 | -7.06 | -5.84 | -16.99 | 42.72 | 367.19 | PoW | 4.19* | N/A* | 0.98 | 0.90 |
| Binance Coin | BNB | 408.13 | -3.23 | -5.73 | -12.77 | -20.91 | -32.22 | 66.77 | PoS | 0.00 | 7.33 | 1.04 | 0.44 |
| Solana | SOL | 105.59 | -6.90 | -15.84 | -26.29 | -39.19 | 262.95 | 33.89 | PoS | 5.02 | 6.00 | 1.41 | 1.69 |
| Terra | LUNA | 87.76 | -5.52 | -15.77 | 18.09 | 1.55 | 493.32 | 30.80 | PoS | 1.14 | 5.83 | 1.70 | 1.93 |
| Avalanche | AVAX | 77.48 | -5.69 | -21.66 | -14.78 | -30.17 | 126.01 | 20.48 | PoS | 5.34 | 9.07 | 1.48 | 1.48 |
| Polkadot | DOT | 18.25 | -6.78 | -16.04 | -29.97 | -32.76 | -55.76 | 17.69 | PoS | 8.17 | 14.07 | 1.29 | 0.12 |
| Polygon | MATIC | 1.38 | -4.63 | -15.95 | -42.40 | -46.10 | 280.69 | 10.62 | PoS | 0.92 | 2.70 | 1.64 | 1.73 |
| Cosmos | ATOM | 25.55 | -4.85 | -12.79 | -34.87 | -22.19 | 14.49 | 7.22 | PoS | 10.16 | 15.29 | 1.50 | 0.94 |
| Tron | TRX | 0.06 | -5.54 | -20.70 | -9.40 | -21.85 | -54.47 | 5.98 | PoS | 1.88 | 4.99 | 1.03 | 0.01 |
| Algorand | ALGO | 0.73 | -4.84 | -23.23 | -50.58 | -56.97 | -51.83 | 4.79 | PoS | 2.17 | 6.23 | 1.31 | 0.31 |
| Fantom | FTM | 1.18 | -8.18 | -19.50 | -55.51 | -48.81 | 169.23 | 2.93 | PoS | 7.10 | 4.54 | 1.81 | 1.45 |
| Zilliqa | ZIL | 0.12 | 3.64 | -31.76 | 101.32 | 64.39 | -37.51 | 1.55 | Other | 11.20 | 13.87 | 1.82 | 0.44 |
| Dash | DASH | 105.57 | -6.62 | -18.67 | -26.99 | -22.54 | -63.04 | 1.11 | PoW/PoS | 2.83 | 5.97 | 1.23 | -0.01 |

| TradFi | | Stablecoins | | DeFi APYs (%) | |
|----------------|------------|-------------|-------------|---------------|--------|
| Ticker | Price (\$) | Ticker | Supply (bn) | Lend | Borrow |
| S&P 500 | SPX | 4488 | 82.55 | 3.31 | 4.42 |
| Nasdaq 100 | NDX | 14327 | 50.98 | 2.20 | 3.49 |
| Russell 2000 | RUT | 1994 | 17.94 | 5.34 | 7.29 |
| Dow Jones Ind. | DJI | 34721 | 9.45 | 2.22 | 3.70 |
| Gold | GC00 | 1965 | 0.22 | 1.79 | 3.12 |

Bitcoin Fear and Greed Index

Multifactorial Market Sentiment Analysis



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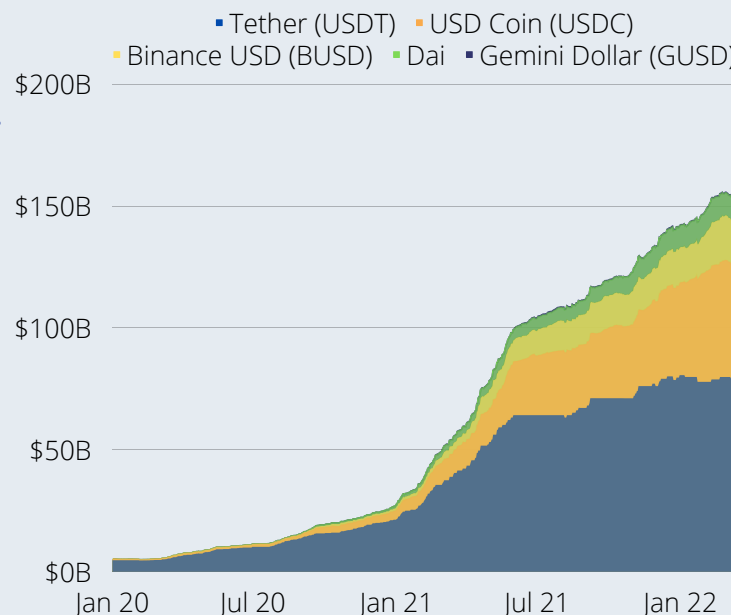
Bitcoin Ascending Triangle



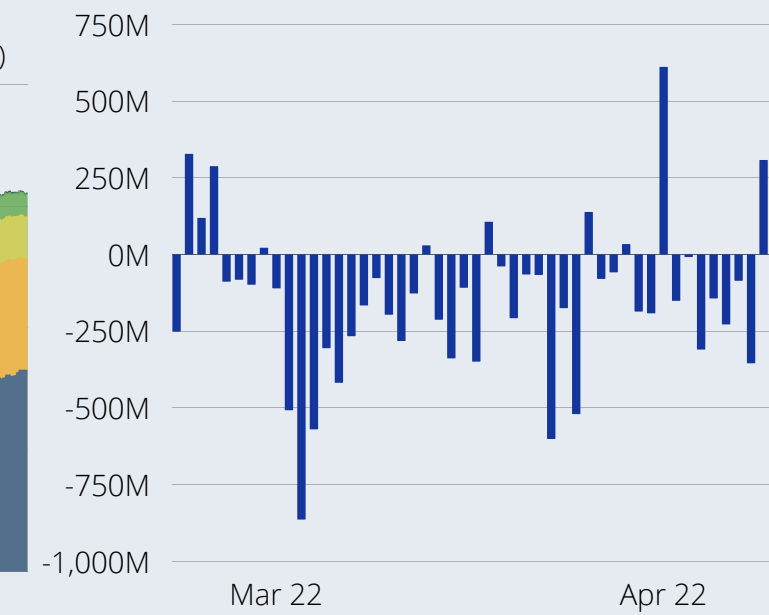
Bitcoin Monthly Average Hashrate



Stablecoin Circulating Supply



Stablecoin Net Exchange Flow



Macro Commentary

Inflationary worries weighed down markets last week as rising interest rates made investors think again on growth estimates for the year. Markets reacted to the release of the recent FOMC meeting minutes last Wednesday confirming plans of reducing the balance sheet by \$95 billion a month starting in May and discussions of a faster pace in rate hikes using 50 basis point moves. A conundrum is set as the US job market is healthy and continues to improve, but strategy to fight inflation is the top priority. We will continue to see a more aggressive tone from the Fed in the coming months.

The 10-year treasury yield has risen almost 20% month to date with the 2.8% level not seen since early January 2019. For reference, yield has risen about 85% year to date. Equities declined about 3% last week to the 4450 level, down about 7.5% year to date. Crude oil futures declined last week about 8%, below \$100 a barrel due to announced Covid related lockdowns in China. Surprisingly, while up about 30% year to date, futures are relatively unchanged since the beginning of the war, but remain volatile in daily sessions, sensitive to any headline. As if war, inflation, and Covid headlines weren't enough for investors to digest, corporate earnings season begins this week.

The closely watched consumer price index came in at 8.5% year over year for March, 0.1% higher than expected, marking the highest level since 1981. This is the first full monthly indication which incorporated price movements affected by the war. Core CPI, excluding food and energy, was 6.5% in March, up from 6.4% in February but 0.1% lower than surveyed at 6.5%, equities rallied and interest rates declined initially on the news as a more drastic headline was anticipated. The 10-year treasury yield is now 2.68%, down 15 basis points from the intra-day high of 2.83%. Some strategists are optimistically seeing the beginning of a plateau on inflationary measures, with a peak to occur this summer, then slowly declining through year end.

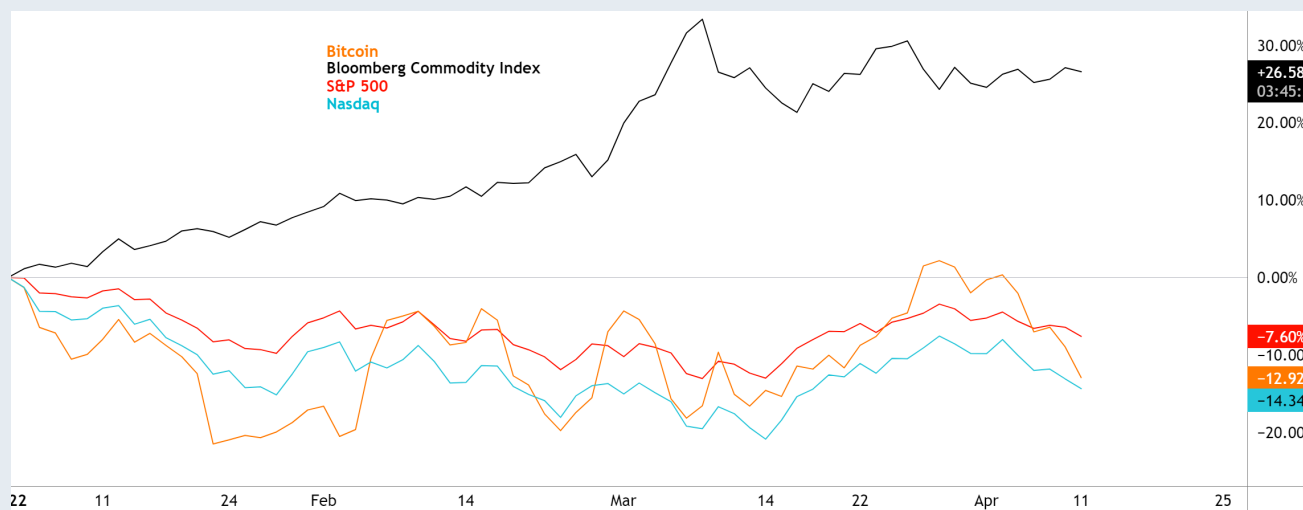
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| Commodity | Ticker | Price (\$) | Returns (%) | | | | |
|---------------------------|--------|------------|-------------|---------|---------|--------|--------|
| | | | 1 week | 1 month | 3 month | YTD | 1 year |
| Crude Oil | CL1 | 94.38 | -8.96 | -7.54 | 20.30 | 25.09 | 58.28 |
| Brent Crude | BRN00 | 98.96 | -8.35 | -6.69 | 22.11 | 26.93 | 56.53 |
| Natural Gas | NG00 | 6.56 | 13.61 | 39.37 | 10.04 | 82.98 | 157.04 |
| Unleaded Gas | RB00 | 3.02 | -5.66 | -4.04 | 32.57 | 36.31 | 53.62 |
| Gold | GC00 | 1965.00 | 1.48 | 0.63 | 9.12 | 7.38 | 13.45 |
| Silver | SI00 | 25.54 | 3.63 | 1.09 | 13.49 | 9.33 | 2.84 |
| Copper | HG00 | 4.66 | -2.61 | 3.34 | 6.54 | 4.46 | 15.83 |
| Corn | C00 | 774.5 | 3.37 | 3.96 | 29.41 | 30.89 | 36.59 |
| Wheat | W00 | 1070.00 | 5.76 | -2.04 | 40.56 | 39.27 | 70.89 |
| Bloomberg Commodity Index | BCOM | 125.87 | 0.27 | 1.70 | 24.83 | 26.96 | 50.63 |
| Bitcoin | BTC | 41418.02 | -2.44 | -9.65 | -3.78 | -10.98 | -31.26 |



News Review

- [Treasury Secretary Janet Yellen Calls Crypto 'Transformative' in Wide-Ranging Speech](#)
- [Treasury Secretary Janet Yellen: 'We Haven't Seen Significant Evasion' of Sanctions Using Crypto](#)
- [Tesla, Block and Blockstream Team Up to Mine Bitcoin Off Solar Power in Texas](#)
- [Strike Announces Shopify Integration for Bitcoin Lightning Payments](#)
- [Robinhood Widens User Access for Crypto Wallet Transfers, Unveils Plan to Support Lightning Payments for Bitcoin](#)
- [UFC Fighters Can Now Receive Bonuses in Bitcoin, Thanks to Partnership with Crypto.com](#)
- [Circle Selects BNY Mellon as Custodian for USDC Reserves to Build Bridges Between Tradfi and Digital Asset](#)
- [Circle Enlists FIS, Crypto.com for Merchant Payments Settled in USDC](#)
- [Digihost Becomes First Publicly Traded Miner to Offer Bitcoin Dividend Payments](#)
- [CME Adds Reference Rates for Solana, Cardano, Polygon and Other Altcoins](#)
- [Solana NFTs Have Been Added to OpenSea, the Largest Overall NFT Marketplace](#)
- [Binance.US Raises First Funding Round at \\$4.5 Billion Valuation](#)
- [Payments Company Bolt to Buy Wyre for \\$1.5 Billion to Add Crypto Option](#)



Weekly Crypto Market Review - April 11th, 2022

Weekly Thoughts: Source: Valkyrie Investments, Inc.

Macro Commentary: 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.

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