

Chart 3: Bitcoin May Be Ready to Probe Lower Lows Following a Break of the Multi-Month Pitchfork Trend Line

High timeframe trend metrics continue to hold bullish, although an ominous short-term reversal chart pattern has formed. Although not classically matching the textbook criteria of a head and shoulders, price action since March 19th has painted an extreme high with flanking lower highs. If price breaches below the neckline, a suggested target zone of \$24k is possible based on the measured depth of the pattern extended below the neckline. Price also sits within a valid bullish pitchfork, established at the beginning of the year. Price may find support near the outer bound diagonal, similar to mid-March. Key moving averages also reside in this zone, adding confluence to support in the area.

Technical Analysis Review: Pitchforks

- The pitchfork is drawn using an extreme high or low paired with another extreme low or high. The anchor point should also coincide with a previous extreme low or high. The median line (red) gives the expected mean of the trend. Price will continually attempt to return to this diagonal.
- Each diagonal of the pitchfork can be thought of as a potential reversal zone or support/resistance line. The upper diagonal zone being 'most overbought' or the top bounds of the trend and lower diagonal zone being 'most oversold' or the bottom bounds of the trend.



Weekly Market Review – May 8th, 2023

Returns (%)

<u>Digital Assets</u>	Ticker	Price (\$)	1 week	1 month	3 month	YTD	1 year	M Cap (B)
Bitcoin	BTC	28273.76	-0.59	-3.33	24.21	71.03	-20.26	547.58
Ethereum	ETH	1855.65	-0.93	-0.81	14.93	55.25	-29.57	223.32
Polygon	MATIC	0.94	-2.99	-4.18	-21.07	24.01	-7.66	8.69
Solana	SOL	21.23	-2.03	-6.56	-6.27	112.94	-73.13	8.38
Polkadot	DOT	5.45	-3.28	-7.24	-16.06	26.54	-60.33	6.44
Avalanche	AVAX	16.06	-2.71	-6.13	-17.92	47.39	-70.81	5.31
Near Protocol	NEAR	1.68	-3.45	-13.33	-27.55	34.24	-62.49	1.51
Zilliqa	ZIL	0.02	-6.31	-11.84	-16.95	55.96	-67.52	0.39
Valkyrie L1 Index		39.64	-5.63	-7.31	-8.32	48.82	-57.95	

News Review

[Crypto Firms Find a Way to Bank Without Banks](#)

[Jack Dorsey's Cash App Posts \\$2.16B in Bitcoin Revenue for Q1 2023](#)

[Venmo Introduces Crypto Transfers for Customers](#)

[BNP Paribas to Promote Digital Yuan Usage in China](#)

[El Salvador School Program Hits 1 BTC In Donations via Lightning Network](#)

[Is the World Leaving America Behind on Crypto Regulation?](#)

TradFi Indices

S&P 500	SPX	4136.25	-0.80	0.76	-0.01	7.73	0.31
Nasdaq 100	NDX	13259.13	0.10	1.50	5.45	21.20	4.46
Russell 2000	RUT	1759.88	-0.51	0.31	-11.36	-0.08	-4.33
Dow Jones Ind.	DJI	33674.38	-1.24	0.56	-0.74	1.59	2.36

Valkyrie Alternative Layer 1 Index





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On-Chain Commentary: Source: Valkyrie Investments, Inc.

Chart 1: The Fed Will Likely Hold Rates At Current Levels: Source: Valkyrie Investments, Inc., FRED, Truflation.com, CME

Chart 2: Ordinal Related Trades Have Exploded Over the Past Week: Source: Valkyrie Investments, Inc., Dune Analytics - Domo

Chart 3: Bitcoin May Be Ready to Probe Lower Lows Following a Break of the Multi-Month Pitchfork Trend Line
Source: Valkyrie Investments, Inc., TradingView

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

Annualized Issuance and Staking Yield: Source: Valkyrie Investments, Inc., StakingRewards.com. ETH staking rewards values are representative of the network post-Proof-of-Stake transition.

"Indicies" 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.

"Commodities" 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.

Valkyrie's Alternative Layer 1 Index: Source: Valkyrie Investments, Inc., CoinGecko. Includes Layer 1 protocols traded on at least 2 of the following 4 U.S. exchanges: Coinbase, Gemini, Kraken, or Binance US. Excludes BTC, ETH, stablecoins, and exchange tokens. Weightings using year 2050 MCAP (FDV), value struck at 8PM EST daily, rebalanced quarterly.

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. 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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