

## 129\_Understanding Crypto Markets: Bull and Bear Market

Similar to stock markets, crypto markets always work in cycles. You may have heard the term bull market (we're in a bull market) or bear market, but didn't know what it meant.

In this video we explain these two terms to you.

Bull market means the following:

A bull market describes a sharp rise in prices on the stock exchange, combined with optimistic investor sentiment. Speculation on rising prices "bullish"

Many investors are stepping in here. Prices are formed by supply and demand. The higher the demand, the higher the prices rise.

Remember the following:

If everyone is "bullish" on the stock market - start thinking "bearish". That means you should never get too euphoric... there will come a point in a bull market where sentiment will change and then prices will fall

A bear market means the following:

The bear market stands for falling prices. Pessimistic investors who speculate on falling prices are referred to as bears - "bearish"

We are currently in a bear market. There is currently more supply than demand, which is why prices are falling or are currently moving sideways.

When everyone is "bearish" on the stock market – start thinking "bullish"

Unfortunately, no one can say in advance how long bull or bear markets will last.

But important to know. In every bear market there is a bull market. This means that even if prices are generally low, there will always be coins that rise sharply even in a bear market, see for example BNB Coin (from Binance) from 280 to 380 USD or Polygon from 0.75 to 1.15 USD.

These price increases often happen when there is good news about the coins or projects in the press.