

### **130\_What does a crypto market cycle look like, how does it behave over time**

Crypto markets are very volatile. In the young history of the crypto markets - the first Bitcoin transaction was made in 2009 - there have already been strong ups and downs. But after every low came a new high, and each time the new high was a new all-time high. That means in the long term - since 2009 - there was only one direction for the crypto market - price increase.

(@Lorenz: Only for video note not for voice over - possibly add graphic with crypto market cycle)

During the year, however, things look different – there can be strong price fluctuations.

We consider the following cycles:

(Note - do not include the graphs as VO only for the Lorenz video see powerpoint)

#### **1. DAY**

If you look at the courses in one day, there can be high fluctuations here. If you buy and sell cryptocurrencies on a daily basis, you have a very high risk because the market is very volatile and also driven by emotions.

#### **2. Years**

If you look at an annual cycle or several years, you will see that there is steady growth and is less volatile.

#### **3. decade (period of 10 years)**

Similar to the stock market, a longterm investment gives you exponential growth. You give your money more time to grow.