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Total Public Market Value (ex-BTC)

12-Month Performance (Normalized)



6-Month Performance (Normalized)



30-Day Performance (Normalized)



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Demand for Growth Supports Crypto Assets

- Risk assets appear to be full steam ahead as demand for lackluster alternatives wanes. The macro backdrop for crypto assets remains favorable under such conditions, evident in the recent demand for assets with more attractive growth potential.
- Bitcoin has maintained its early April gains, reviving some interest in crypto assets among various investor groups. BTC is closing in on its 50-week moving average, marking a key test level for the most recent rally.
- Interestingly, this comes at a time when BTC is also eyeing a potential 'golden cross' as its 50-day moving average is just 4% below its 200-day equivalent and trending higher.
- Intra-market correlations remain elevated, but return dispersion among crypto assets is emerging. BNB's year-to-date dominance continued this week while BSV has been hung out to dry.

Chart of the Week

BTC vs. SPDR Gold Trust (Inverted)

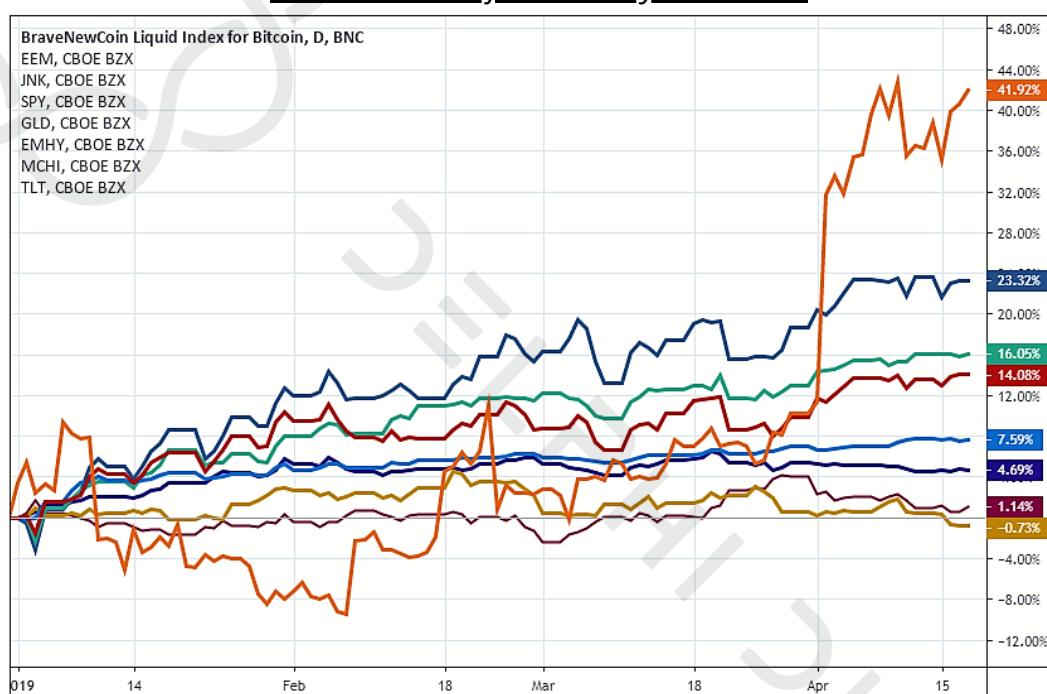




Risk Assets in the Limelight

The macro backdrop continues to be favorable for crypto assets. **Risk-on sentiment and the more dovish pivot by central banks in recent months has fueled a rebound in risk assets, a theme that has coincided with a stronger crypto market** as well. Some fear the most recent equity market strength is the final 'melt-up' for stocks. The "m" word is starting to gain prominence in many investing circles as conditions remain ripe for higher stock prices given low-yielding fixed income alternatives and moderate economic growth. This 'Goldilocks' environment is typically characterized by a rise in asset prices, especially riskier classes like stocks. However, many institutions have remained largely on the sidelines this year, failing to take advantage of the market's substantial rebound. This near-term tailwind could support further price appreciation if "FOMO" takes a stronger hold on investors still sitting on the fence.

Year-to-Date Performance by Asset Class



The recent strength in risk assets has a bit of fundamental support as well. Earnings expectations for Q1 in the U.S. have improved modestly this year, though the potential for an earnings recession (two consecutive quarters of earnings contraction) remains elevated in the first half of 2019. The flip-side to suppressed expectations is the lower bar it sets, increasing the chance of a rally higher in equities if results, and more importantly company guidance, come in better-than-expected. Economic data abroad is sending more encouraging signs as well. China's manufacturing PMI bounced back above 50, indicating expansionary conditions, despite current trade disputes with the U.S.

Credit growth in the world's second largest economy has also been ticking higher behind a strong push from policymakers to boost lending in an attempt to counter slowing domestic growth. This combination of factors has fueled the recent appreciation in risk assets, leaving safe haven counterparts like gold and Treasuries behind.

Year-to-Date Price Change by Asset Class		
Ticker	Name	YTD
BTC	Bitcoin	42%
MCHI	iShares MSCI China ETF	23%
SPY	SPDR S&P 500 ETF	16%
EEM	iShares MSCI Emerging Markets ETF	14%
JNK	SPDR Bloomberg Barclays High Yield Bond ETF	8%
EMHY	iShares Emerging Markets High Yield Bond ETF	5%
GLD	SPDR Gold Trust	-1%
TLT	iShares 20+ Year Treasury Bond ETF	1%



Demand for Growth Remains Strong

Given the aforementioned macro backdrop, it's no surprise investors are hungry for growth. This appetite is evident in the demand for the most recent wave of tech IPOs despite the substantial operating losses most of them carry. Shares in Pinterest (PINS) popped almost 30% in their first day of trading after the company's initial public offering on Thursday. This coincided with Zoom Video Communications (ZM)'s IPO, which saw its shares surge over 70% in its first day as a publicly traded company.

Concerns over Lyft's recent price drop appear to be overblown as the demand for tech 'unicorns' remains strong, though it's worth monitoring these new publicly-minted stocks to see if this week's level of enthusiasm holds. **The Nasdaq 100 broke to a new all-time high this week on the back of these events as growth strategies continue to outperform this year.**

Nasdaq 100 Hits New High w. S&P 500 Info Tech



Better-than-expected data out of China has given the iShares MSCI China ETF a strong bid as well. China's class of retail investors are among the most active on the planet, so the market's recent reversal could bode well for bitcoin if bullish sentiment spills over into the crypto market.

iShares MSCI China ETF vs. BTC





Bitcoin Eyes 'Golden Cross'

Bitcoin has stabilized above the psychologically-important \$5,000 level, which has served as a strong support level the last couple weeks aside from a handful of brief intra-day dips. **BTC is within 5% of its 50-week MA, which currently sits around \$5,550.** A retest of its 200-week MA, which is currently near \$3,530, would imply a 33% drop from its current level. While not impossible, we see the chances of this occurring dwindling by the day.

Bitcoin's 50-week moving average crossed below its 100-week moving average in mid-February, which put some market participants on edge that a re-test of late 2018's lows may have been on the horizon. This cross occurred roughly two months after the December low.



Similarly, BTC's 50-week MA crossed below its 100-week MA approximately three months following its January 2015 bottom in the prior cycle. Bitcoin rose over 40% before hitting its 50-week MA in July 2015. However, BTC proceeded to fall over 25% in the subsequent six weeks. It wasn't until it broke above its 50-week MA in October 2015 that bitcoin would go on to make its epic bull run through the end of 2017.

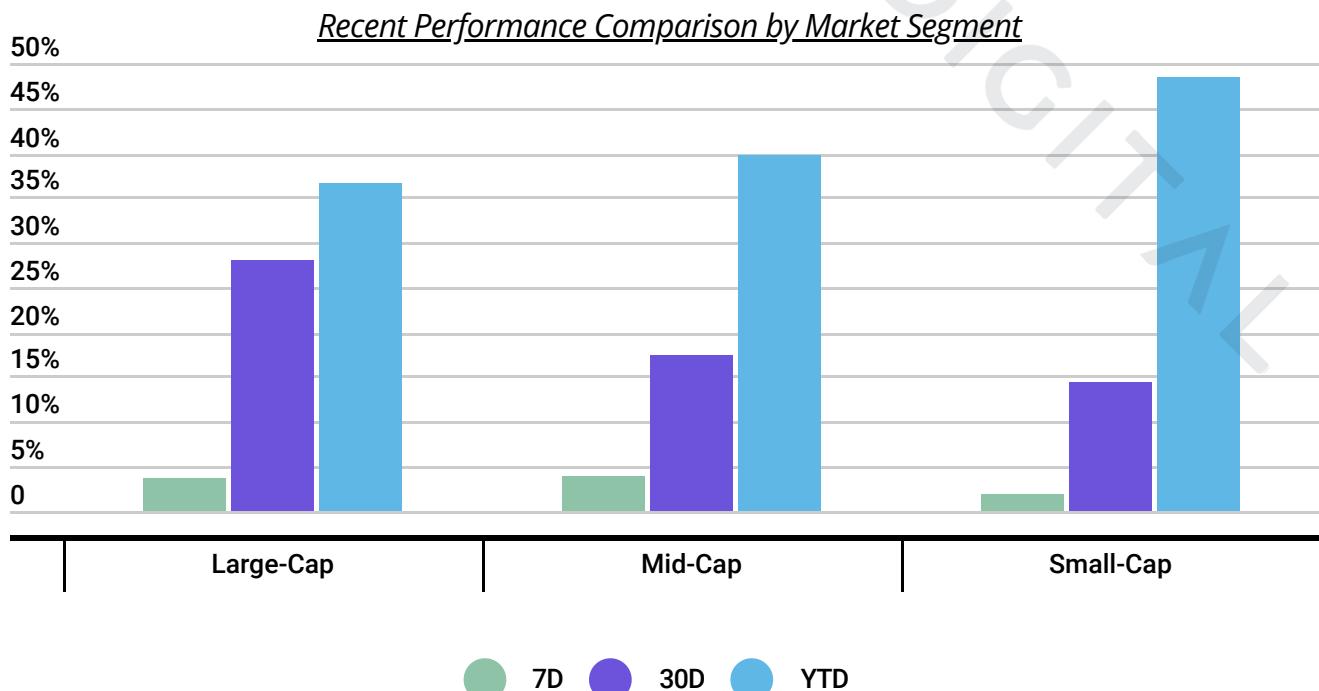
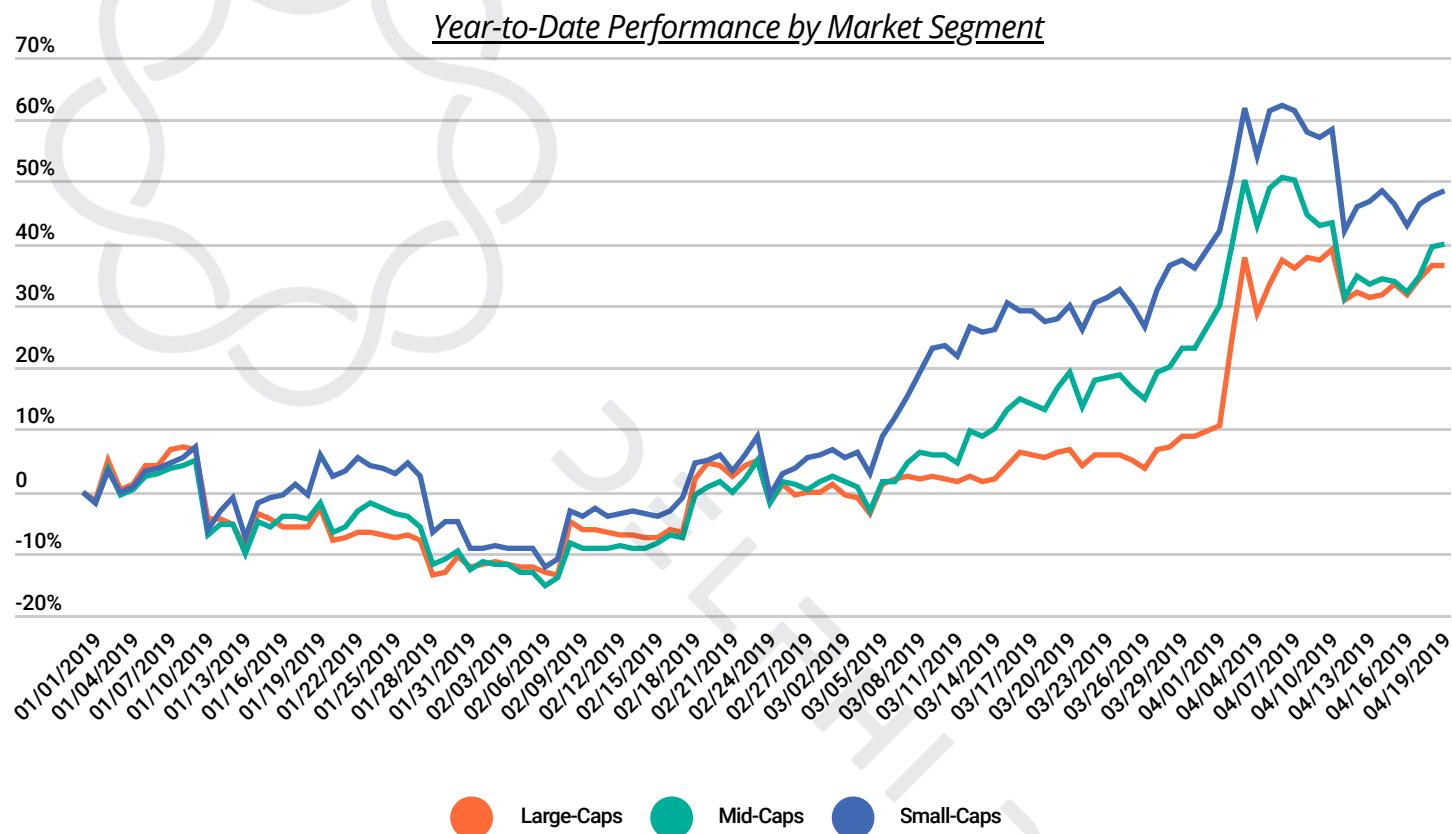
Shifting gears a bit, BTC's 50-day and 100-day MAs have both turned higher since early March, with the former just 4% below its 200-day MA. **If BTC's price stays flat, it's likely its 50-day MA will cross above its 200-day MA as early as next week, an event known as a 'golden cross'. This is typically a bullish indicator** and usually implies further gains in the short-term.





Large-Caps Out in Front

The larger segments of the crypto market led the gains this week as asset prices grind higher. Large and mid-caps, as measured by the MVIS CryptoCompare Digital Asset 100 Large-Cap Index, rose 3-4% after their stellar start at the beginning of the month. **Smaller valued names have trailed larger peers over the last month, but still boast some of the best performers year-to-date.** Intra-market correlations have largely stabilized as many crypto assets participate in the substantial rally we've seen since BTC's early April move.



*See Source link below for detail on large, mid, and small-cap index constituents.



Crypto Asset Movers & Shakers

Larger crypto assets were out in front this week, **led by another dominant performance from Binance Coin (BNB)**. Other top performers include BCH and LTC, both of which have gained more than 130% in the last 90 days. While ETH found itself among the top of the list this week, it has not kept pace with some of its large-cap peers in recent weeks. Bitcoin may have sparked April's market rally, but has also found itself among the laggards these last few weeks as more volatile alternative crypto assets have swelled.

The biggest loser this week by far was BSV, which posted its worst week-over-week decline since its first few weeks of trading back in November. ADA was also at the bottom of the barrel despite the release of formal specifications for Cardano's Shelley launch.

Top Crypto Asset Returns				
Ticker	7D	30D	90D	YTD
BNB	32.8%	60.2%	268.7%	297.4%
BCH	8.5%	91.1%	135.6%	103.1%
ETH	5.4%	23.5%	39.5%	30.2%
LTC	4.6%	35.7%	153.7%	171.0%
BTC	4.2%	29.8%	42.2%	41.7%
XMR	3.7%	22.7%	48.4%	48.3%
DASH	2.9%	31.4%	66.4%	55.6%
EOS	2.0%	46.4%	120.5%	113.6%
XRP	1.7%	3.8%	0.3%	-5.9%
XLM	1.0%	3.9%	6.9%	2.6%
TRON	0.0%	15.1%	8.1%	41.1%
ETC	-1.3%	34.4%	43.0%	24.6%
ZEC	-1.6%	18.2%	28.0%	23.7%
NEO	-1.9%	18.1%	37.4%	47.4%
MKR	-2.2%	-12.7%	32.2%	37.1%
NEM	-3.7%	25.8%	10.2%	-0.7%
IOTA	-3.7%	3.6%	-1.8%	-12.8%
ADA	-4.7%	47.5%	73.8%	93.6%
BSV	-16.9%	-11.1%	-23.4%	-30.1%

*Returns in USD

Data as of 04/19/19

BNBBTC Price & 14-Day RSI



The recent consolidation in BNBBTC price alleviated some concerns the token's run was getting stretched, allowing BNB the room to run higher in the near-term.

Higher price highs with lower RSI highs is a trend we are monitoring for indications of price weakness in BNB.



Binance Coin Breaks to New High

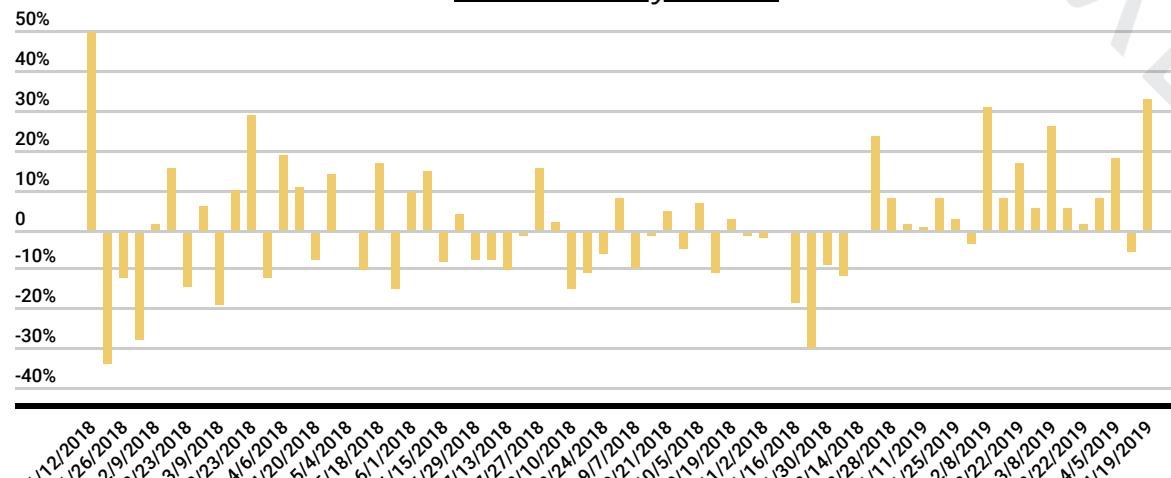
Binance Coin (BNB) has been nothing short of a monster this year, outperforming just about every other crypto asset with its **300% surge year-to-date**. In its latest feat, **BNB is now trading at a new all-time high** in USD.

Several factors have driven its recent rise. **Binance Chain's mainnet officially launched on April 18th** and was followed by an announcement that **BNB's token would migrate from Ethereum to the new chain on April 23rd**. This news, coupled with BNB's quarterly "token burn", were significant catalysts. With the market buzzing over Binance Chain, several crypto projects declared their intent to migrate over to the new platform. For example, Mithril, a decentralized social media platform, was the first project to announce its migration, according to a post on Thursday. The project's token, MITH, nearly doubled in the hours following the announcement. It has since fallen roughly -25%, but still boasts a gain of +40% in just a few short days.

BNBUSD vs. BNBBTC Price



BNBUSD Weekly Returns

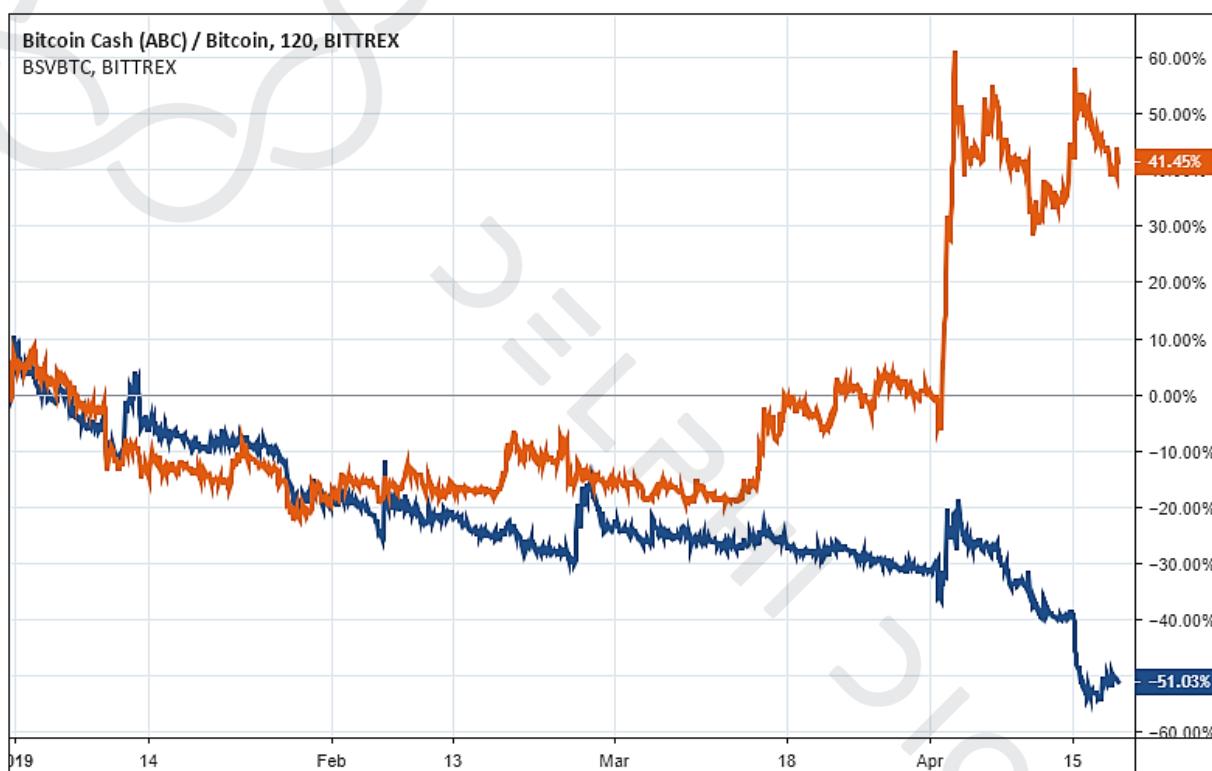




Will the Fake Satoshi Please Sit Down?

Binance has made its presence felt in other ways as well. The exchange decided to **de-list BSV (aka BCHSV)**, effective April 22nd, due to the behavior of its controversial founder. Shortly after, other prominent exchanges such as Kraken and ShapeShift followed suit. These developments triggered a wave of selling pressure. **BSVs hashrate fell ~30% week-over-week, and now stands at 24% of BCHs and a mere 2% of BTCS.** This is a significant concern from a network security perspective. To make matters worse for BSV, its blockchain experienced yet another block re-org. BSV is not out of the woods yet and significant downside risk still remains. We expect reduced liquidity as these de-listings go into effect, which could result in digital asset indices and funds selling their BSV as they re-balance their allocations.

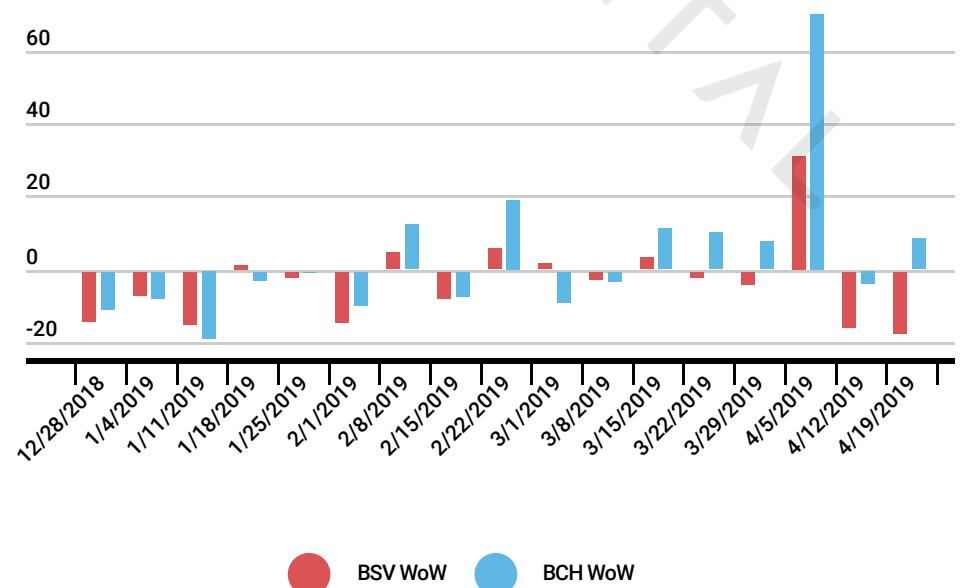
BCHBTC vs. BSVBTC Price Year-to-Date



BSV is on pace for its worst week of the year (-17%) on a USD basis. It's down -11% this month alone while BCH and BTC have gained +82% and +29%, respectively.

BSV is currently trading near its lowest level relative to BTC since late November just after the Bitcoin Cash hard fork.

BCH & BSV Weekly Returns





Momentum Moving in the Right Direction

As we noted a few weeks ago, the break into overbought territory was not to be feared as momentum continues to show signs of strength for bitcoin and the broader crypto market. **Momentum indicators are trending in the right direction and are not signaling signs of price weakness in the near-term.**

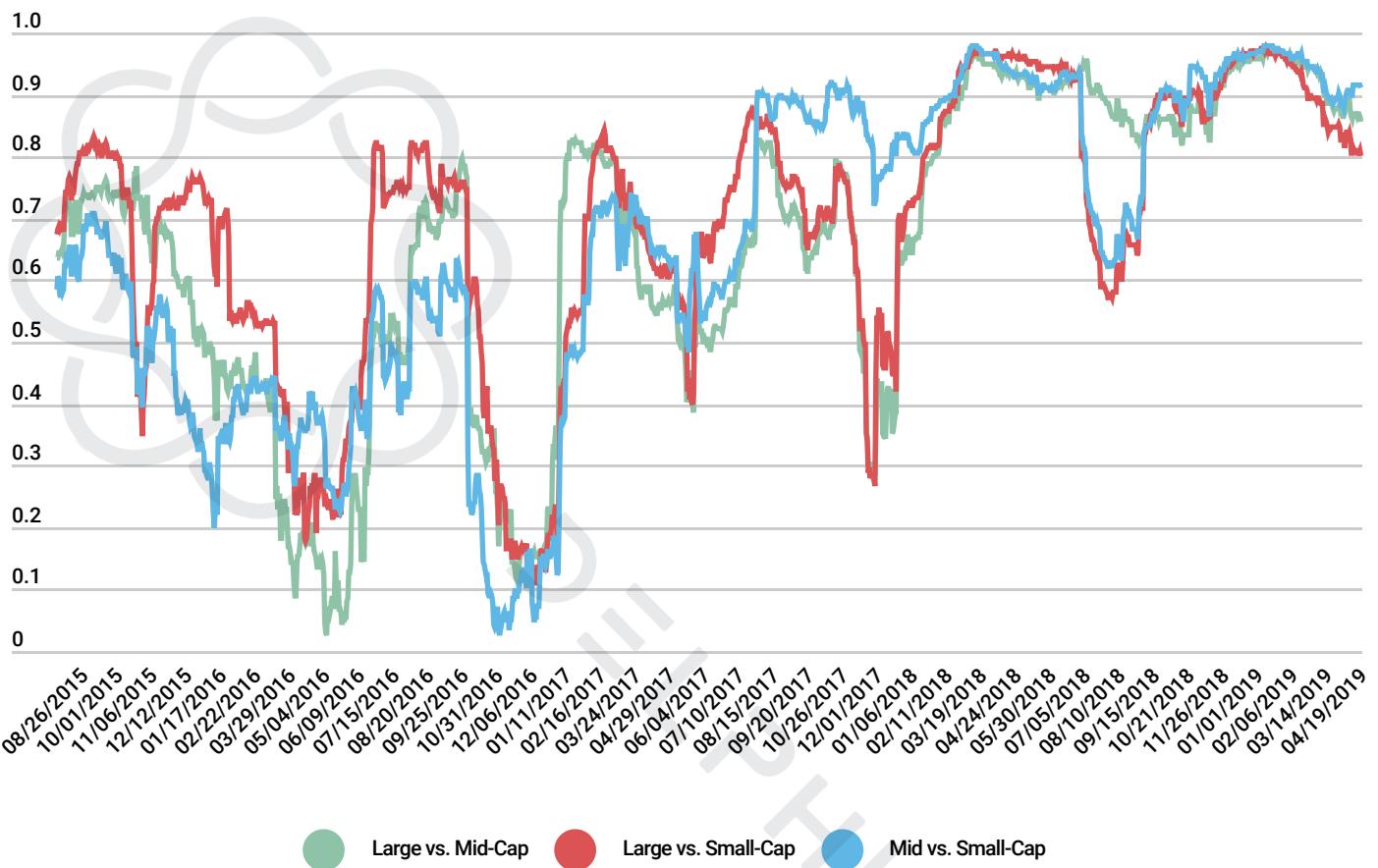
BTC Price vs. 14-Day RSI (Top) & Total Crypto Market ex-BTC (Bottom)



Appendix



60-Day Correlations Between Large, Mid, & Small Caps



60-Day Correlations																			
	BTC	XRP	ETH	EOS	XLM	LTC	BCH	TRON	ADA	XMR	IOTA	BNB	DASH	NEM	ETC	NEO	ZEC	BSV	MKR
BTC	1.00	0.83	0.91	0.84	0.69	0.87	0.84	0.72	0.75	0.83	0.74	0.37	0.70	0.85	0.64	0.77	0.76	0.74	0.62
XRP	0.83	1.00	0.86	0.73	0.73	0.73	0.61	0.72	0.70	0.82	0.77	0.34	0.73	0.75	0.61	0.73	0.74	0.69	0.69
ETH	0.91	0.86	1.00	0.87	0.70	0.83	0.69	0.79	0.73	0.83	0.81	0.45	0.77	0.83	0.70	0.79	0.78	0.73	0.71
EOS	0.84	0.73	0.87	1.00	0.64	0.85	0.70	0.65	0.71	0.72	0.71	0.44	0.68	0.72	0.56	0.76	0.68	0.60	0.69
XLM	0.69	0.73	0.70	0.64	1.00	0.56	0.52	0.64	0.57	0.70	0.65	0.26	0.66	0.66	0.59	0.60	0.57	0.55	0.60
LTC	0.87	0.73	0.83	0.85	0.56	1.00	0.84	0.60	0.74	0.68	0.65	0.50	0.67	0.73	0.55	0.77	0.66	0.75	0.62
BCH	0.84	0.61	0.69	0.70	0.52	0.84	1.00	0.52	0.72	0.54	0.50	0.23	0.50	0.67	0.50	0.65	0.57	0.60	0.46
TRON	0.72	0.72	0.79	0.65	0.64	0.60	0.52	1.00	0.61	0.76	0.69	0.24	0.69	0.72	0.66	0.61	0.68	0.60	0.53
ADA	0.75	0.70	0.73	0.71	0.57	0.74	0.72	0.61	1.00	0.65	0.68	0.24	0.58	0.74	0.52	0.75	0.69	0.63	0.61
XMR	0.83	0.82	0.83	0.72	0.70	0.68	0.54	0.76	0.65	1.00	0.78	0.43	0.80	0.79	0.61	0.67	0.85	0.61	0.59
IOTA	0.74	0.77	0.81	0.71	0.65	0.65	0.50	0.69	0.68	0.78	1.00	0.38	0.72	0.74	0.71	0.73	0.77	0.62	0.65
BNB	0.37	0.34	0.45	0.44	0.26	0.50	0.23	0.24	0.24	0.43	0.38	1.00	0.45	0.30	0.27	0.36	0.39	0.31	0.45
DASH	0.70	0.73	0.77	0.68	0.66	0.67	0.50	0.69	0.58	0.80	0.72	0.45	1.00	0.75	0.56	0.68	0.82	0.62	0.59
NEM	0.85	0.75	0.83	0.72	0.66	0.73	0.67	0.72	0.74	0.79	0.74	0.30	0.75	1.00	0.58	0.75	0.77	0.68	0.63
ETC	0.64	0.61	0.70	0.56	0.59	0.55	0.50	0.66	0.52	0.61	0.71	0.27	0.56	0.58	1.00	0.50	0.63	0.55	0.56
NEO	0.77	0.73	0.79	0.76	0.60	0.77	0.65	0.61	0.75	0.67	0.73	0.36	0.68	0.75	0.50	1.00	0.68	0.70	0.71
ZEC	0.76	0.74	0.78	0.68	0.57	0.66	0.57	0.68	0.69	0.85	0.77	0.39	0.82	0.77	0.63	0.68	1.00	0.61	0.60
BSV	0.74	0.69	0.73	0.60	0.55	0.75	0.60	0.60	0.63	0.61	0.62	0.31	0.62	0.68	0.55	0.70	0.61	1.00	0.59
MKR	0.62	0.69	0.71	0.69	0.60	0.62	0.46	0.53	0.61	0.59	0.65	0.45	0.59	0.63	0.56	0.71	0.60	0.59	1.00

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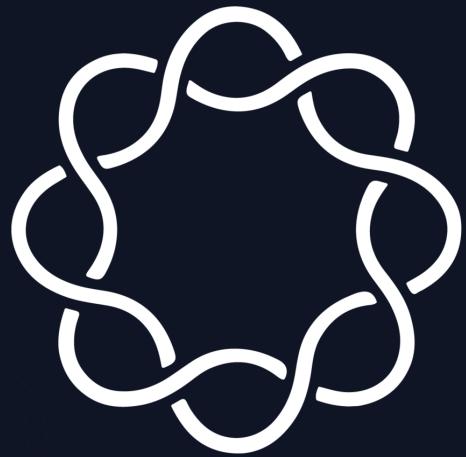
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