



Dear **{{ contact.FIRSTNAME }}**,

Hope you enjoy the new short and concise format for a quick update on Bitcoin and the Bitcoin dominance.

Lot more will be covered soon.

Stay tuned!

Cheers,

Faro

Crypto Exclusive



Bitcoin USD - Weekly

BTC on the macro is a Megaphone pattern with marginally macro higher highs (~\$65K & \$69K) and potentially marginally lower lows (~\$28,600 & perhaps ~ \$25K). For now it is too early to tell if the low is in, largely due to the overall bearish macro environment (Bonds, DXY, Equities).

In hindsight the pattern which played out was a complex head & shoulders with the head being \$69K and the right shoulder (RS) forming on key level of \$42K (key level due to multiple price interactions). The RS broke week of 11th April through weekly candle close below, a retest the following week followed by a rejection from the \$42K level.

This was classical price behavior and a warning preceded the final week of March when the price got rejected at another key level, the \$47.5K.

The reason the latter is a key level is because it was the neckline of the H&S from the ~\$65K top of April last year

which performed its target.
The \$47.5K level has had many key interactions since.

What also followed post the \$47.5K rejection, was as well a bear pole or flag continuation pattern which was forming below the RS and made it complex to notice.

Technically this pattern had a higher chance of continuation to the downside as the structure was opposed to the 2021's Summer lows where we had marginally lower lows (=bullish) due to bearish price exhaustion vs the bear pole pattern which had marginally higher highs (=bearish).

Hence the second H&S also performed its 37.5% target post closing weekly below \$42K, pierced through its \$27K target and also broke the macro low of \$28,600 by a wick, not weekly closing candle yet.

This could potentially be bullish for the same reason (marginally lower low on the macro) that is part of a big Megaphone pattern. If the price would reach levels much lower than \$25K, the megaphone pattern will be invalidated.

Other things on the chart for context:

Key levels:
\$47,500
\$42,000

Relevant Psychological levels (short-term):

\$40K
\$30K
\$25K
\$20K

Risks:

Macro environment (Bonds, DXY, Equities)



Bitcoin Dominance (BTC.D) - Weekly

The most relevant pattern on the BTC.D chart is the falling wedge (=bullish pattern) that has been forming since May 2021 (last Summer highs for Alts) with a 3 drive bullish divergence on the RSI that is notable.

The falling wedge has a target of ~23% with break-out level being the 42% dominance level. This means that we should technically see a subsequent target: 51.5% and possibly higher.

The wedge has a high odds of achieving target based on balance of probabilities and due to its current momentum, that followed a strong weekly candle close (in shape of a marubozu) and technically confirming it's break-out.

Two psychological levels that are relevant: are ~45% level, which is the current level at time of writing and the ~50% area which is a psychological level and also close to the target level.

In conclusion, the BTC.D charts supports the macro bearish view and risk-off environment where the market dominance of BTC is expected to increase.



Dear {{ contact.FIRSTNAME }},

Thank you for your support!

Stay grinding and if you need any help, contact me freely.

Cheers,

Faro



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