



FEB
2024

INVESTMENT REPORT

DC REPORT

Agenda:

- Market update

Summary:

Overall, this week was a mixed bag for the crypto market. While Bitcoin and the launch of Bitcoin ETFs were bullish, Solana's outage, Binance's delisting of Monero, and the Canadian crypto mining ban were negative developments. The integration of Robinhood Connect with MetaMask and the discovery of a new hub for Chinese Bitcoin miners in Ethiopia were positive developments for the industry. Next week, we will be looking at the latest developments in the crypto market, including the ongoing regulatory scrutiny of cryptocurrencies and the launch of new crypto products and services.

MARKET UPDATE

FEB
2024

DigitalCompass

MARKET UPDATE

Bitcoin's Bullish Start to the Year: Bitcoin kicked off the year with a bullish surge, gaining 10% over the week and upholding a historical trend of positive performance during the Chinese New Year. This momentum helped BTC break through resistance levels that had held since the introduction of spot Bitcoin ETFs in the US a month ago. The recent launch of US spot Bitcoin ETFs has also contributed to Bitcoin's bullish run, with these funds adding another 5,000 BTC worth \$1 Billion to their holdings, surpassing MicroStrategy's 190,000 Bitcoins.

Solana Suffers Outage: Solana's price took a 4% hit after the network experienced a 5-hour outage on Tuesday. This is not the first time Solana has faced scalability issues, and the outage highlights the challenges that the network still faces as it attempts to compete with Ethereum.

Binance Delists Monero: Binance announced that it would be delisting privacy-focused altcoin Monero on February 20th. This move is likely due to regulatory pressure, as Binance has been facing increasing scrutiny from regulators around the world. The delisting of Monero from Binance is a blow to the privacy-focused cryptocurrency, and it remains to be seen how other exchanges will respond.

Robinhood Meets MetaMask: In a move to enhance access to cryptocurrencies, digital wallet creator ConsenSys has integrated Robinhood Connect with MetaMask. This integration allows MetaMask users to load their wallets directly with crypto using the Robinhood platform, and seamlessly make in-app purchases using Robinhood's order engine, automatically linking transactions to their digital wallets. This integration is a positive development for both Robinhood and MetaMask, as it will make it easier for users to buy and use cryptocurrencies.

Bitcoin Inventor Denies Forgery: Australian computer scientist Craig Wright, who claims to be the author of the 2008 Bitcoin white paper under the pseudonym Satoshi Nakamoto, denied forging documents in a London court. Wright is facing legal opposition from the Crypto Open Patent Alliance, which hopes to prevent Wright from suing Bitcoin developers and to safeguard the open-source nature of the protocol. The outcome of this case could have significant implications for the future of Bitcoin.

Canadian Court Upholds Crypto Mining Ban: The British Columbia Supreme Court has upheld the provincial government's moratorium on new crypto-mining operations accessing the power grid. The ban was implemented in December 2022 to assess the industry's impact on the province's economic and environmental objectives. This decision is a setback for the crypto mining industry in Canada, and it remains to be seen how other provinces will respond.

Chinese Miners Find New Home in Ethiopia: Chinese Bitcoin miners have found a new hub in Ethiopia due to affordable electricity and friendly relations with China. Despite the country's ban on crypto trading, Ethiopia permitted crypto mining in 2022. This move is a positive development for the Ethiopian government, as it will generate revenue and create jobs. However, it remains to be seen how the environmental impact of crypto mining will be managed.

MARKET UPDATE

<https://www.coindesk.com/markets/2024/02/08/bitcoin-could-hit-48k-in-days-propelled-by-historic-chinese-new-year-gains-10x-research/>

<https://decrypt.co/216095/solana-price-rebounds-network-restarts-after-outage>

<https://www.binance.com/en/support/announcement/binance-will-delist-ant-multi-vai-xmr-on-2024-02-20-f73b083ba6834771b07dbe5319917ae5>

<https://www.coindesk.com/markets/2024/02/08/bitcoin-etfs-ex-gbtc-now-hold-more-btc-than-microstrategy/>

<https://fortune.com/crypto/2024/02/06/consensus-robinhood-connect-metamask-crypto-trading/>

<https://www.reuters.com/technology/self-proclaimed-bitcoin-inventor-denies-forging-documents-support-claim-2024-02-06/>

<https://markets.businessinsider.com/news/currencies/british-columbia-court-backs-ban-on-crypto-mining-in-canadian-province-1033033299>

<https://www.bloomberg.com/news/articles/2024-02-08/bitcoin-mining-why-ethiopia-is-attracting-chinese-crypto-miners>

ACKNOWLEDGEMENTS & DISCLAIMER

This material has been prepared for reference and informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. The information contained in this material may be the result of the compilation, curation and editing process of public and non-public information as well as the opinions of the authors who collaborated in researching and preparing this material.

Digital Compass rightfully acknowledges third-party information that was used partially or in its entirety for the elaboration of this material.

The views and opinions expressed in this material are those of the authors and do not necessarily reflect those of Digital Compass, its senior executives or directors.

This material is strictly confidential and solely for the use of the intended recipient and may not be reproduced or circulated without Digital Compass's prior written consent. If you are not the intended recipient, you may not disclose or use this material in any way. This information is not intended as an offer or solicitation concerning the investment, purchase or sale of any security.

Private and Confidential © 2024 Digital Compass. All rights reserved.

BLOCKCHAIN IS
CHANGING THE
WORLD FOR THE
GOOD