

## Cryptocurrency Dashboard – July 9, 2021

- This Week in Crypto
- Fair Value Modeling
- News Sentiment
- Twitter Spotlight
- Search Trends
- Central Bank Adoption



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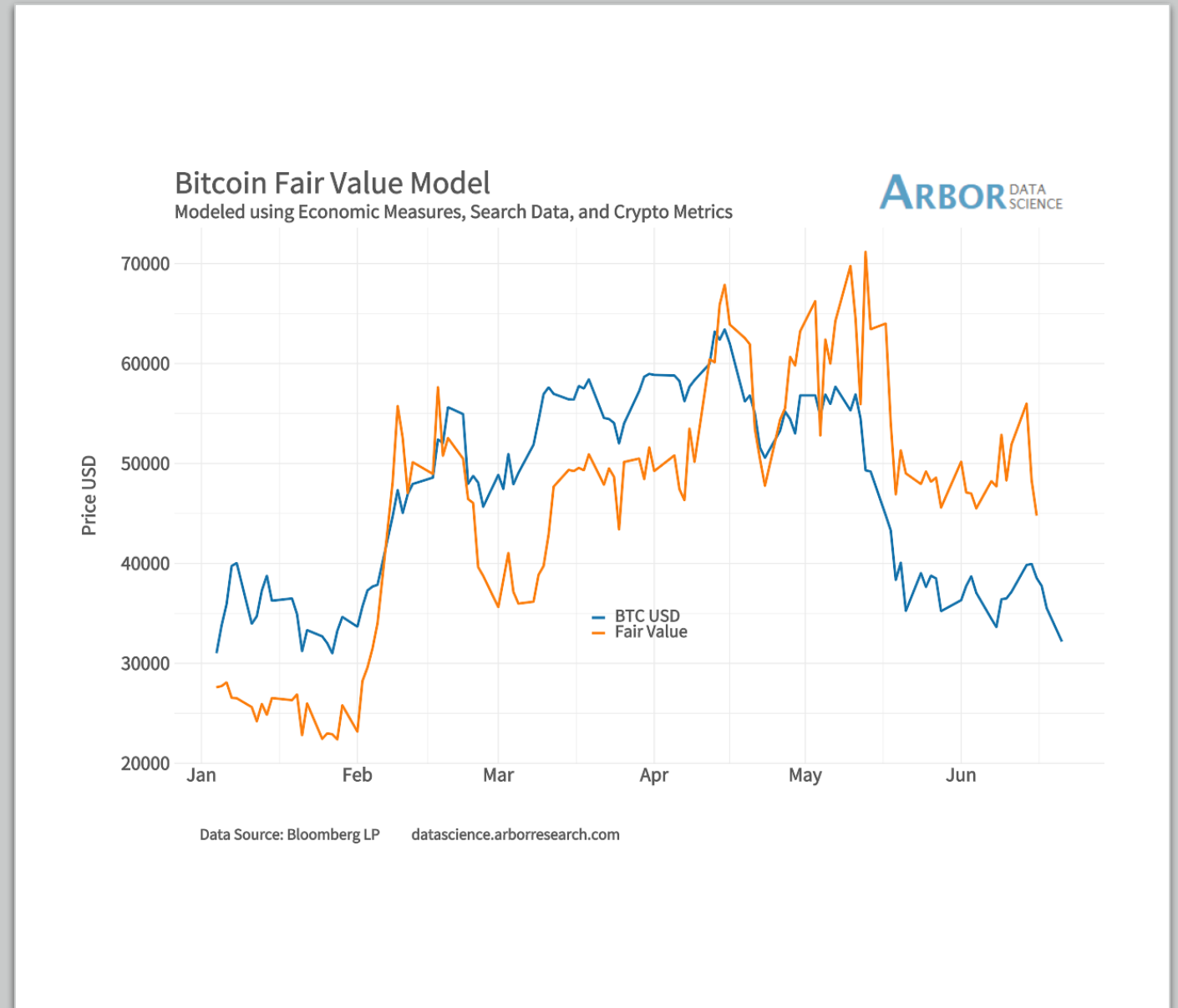
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# This Week in Crypto

- China continues to be the center of attention as enforcement of their cryptocurrency ban [ramps up](#).
- The U.S. has also been eyeing further regulation of crypto with Sen. Elizabeth Warren [writing a letter to the SEC](#) to get the ball rolling.
- Prices have remained uninteresting with Bitcoin remaining between \$30-36K and Ethereum still struggling to get above \$2500.
- As crypto grows in popularity, so too does the space become [riddled with scams](#).

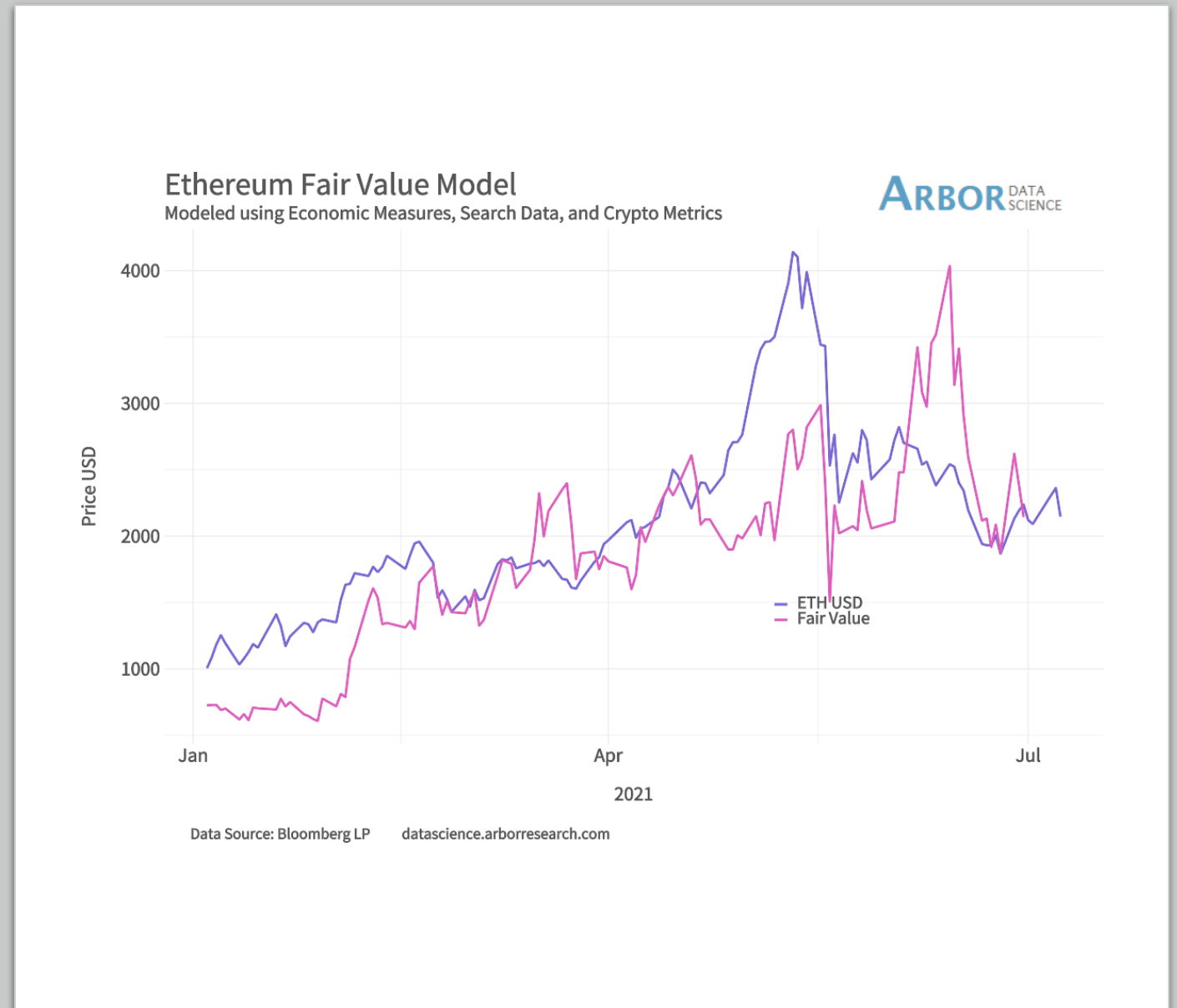
# Bitcoin – Fair Value Modeling

- The model expects that, as of last week, Bitcoin was still substantially undervalued.
- At the height in consumer search activity, the model valued Bitcoin near \$70,000, above its all-time high.
- The important takeaway here is how much outside variables (China, Elon Musk, etc.) are dragging the price down and how these variables gain or lose influence in the coming months.



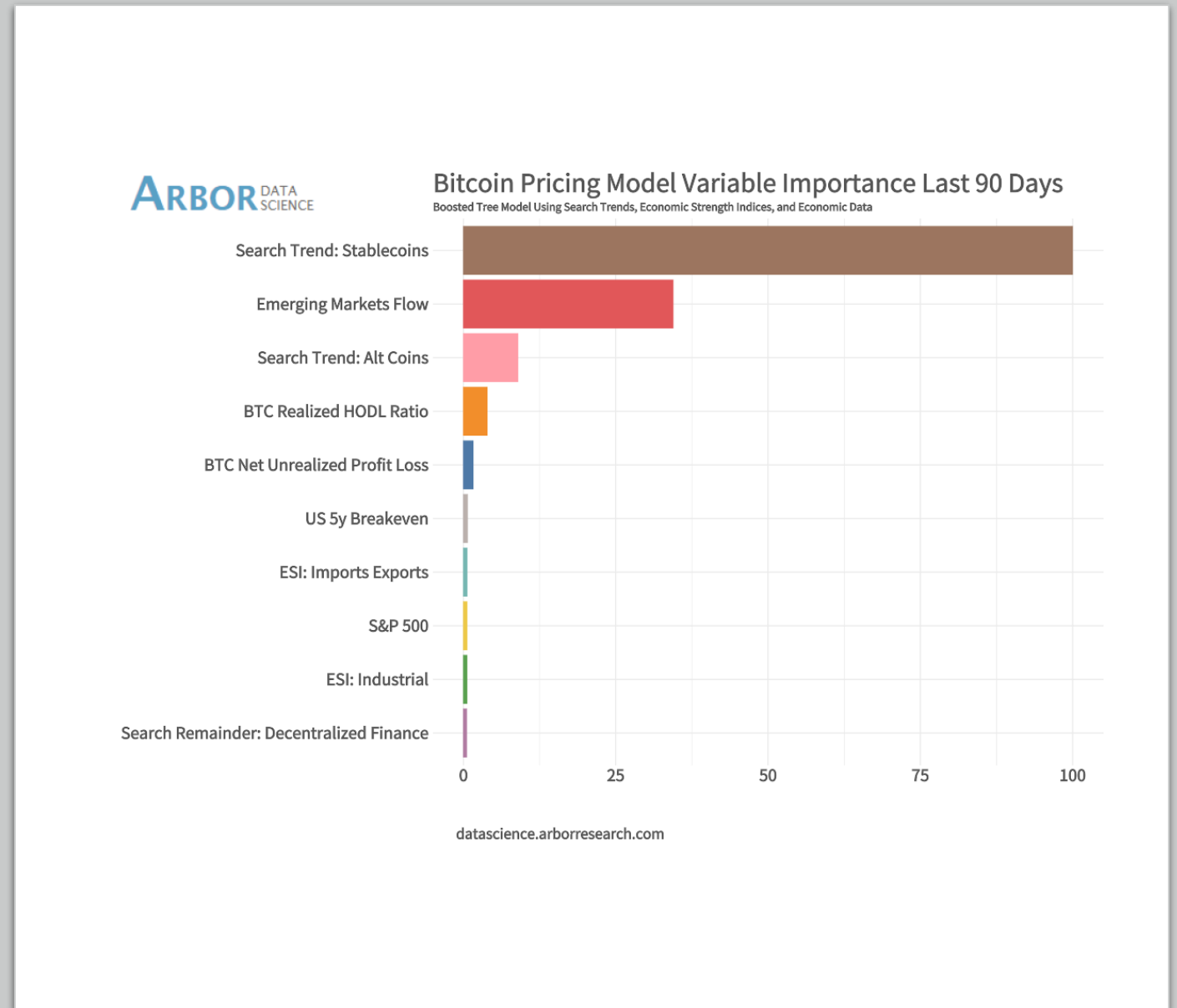
# Ethereum – Fair Value Modeling

- Our model puts the value of the Ethereum token around \$2100, close to its actual price.
- Its value dropped below \$2K after the China crackdown last month but has since risen back above \$2000 where it has struggled to gain ground.
- Interestingly, the model finds that at its all time high of over \$4000, ETH was significantly overvalued.



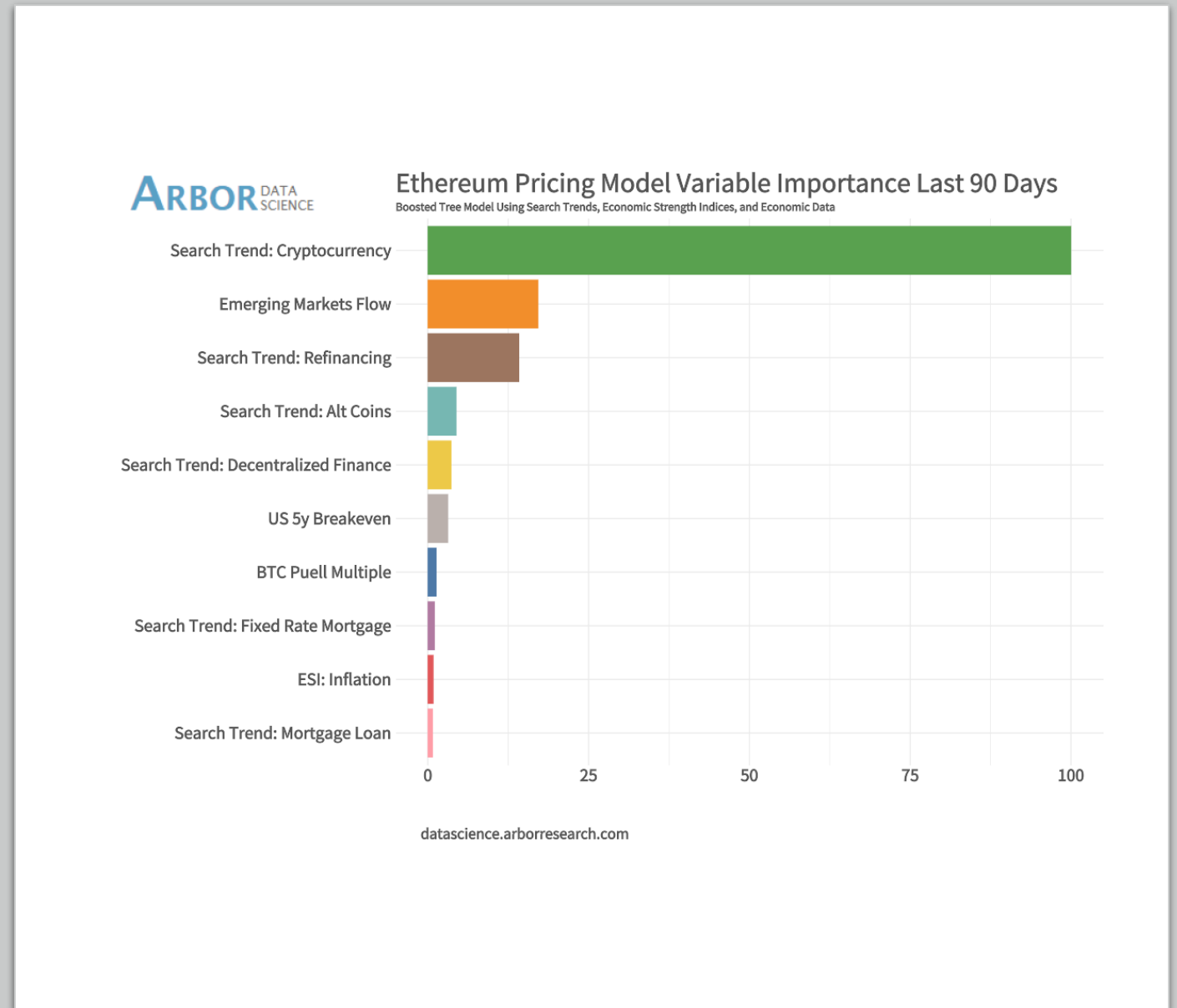
# Bitcoin: Variable Importance

- Interestingly, Bitcoin is affected most strongly by Google searches for Stablecoins as well as Altcoins.
- Market Indicators for Bitcoin such as HODL and NUPL are also significant.
- Additionally, consumer interest in risk as well as broader economic measures like the strength of exports, retail, and industry have been important.



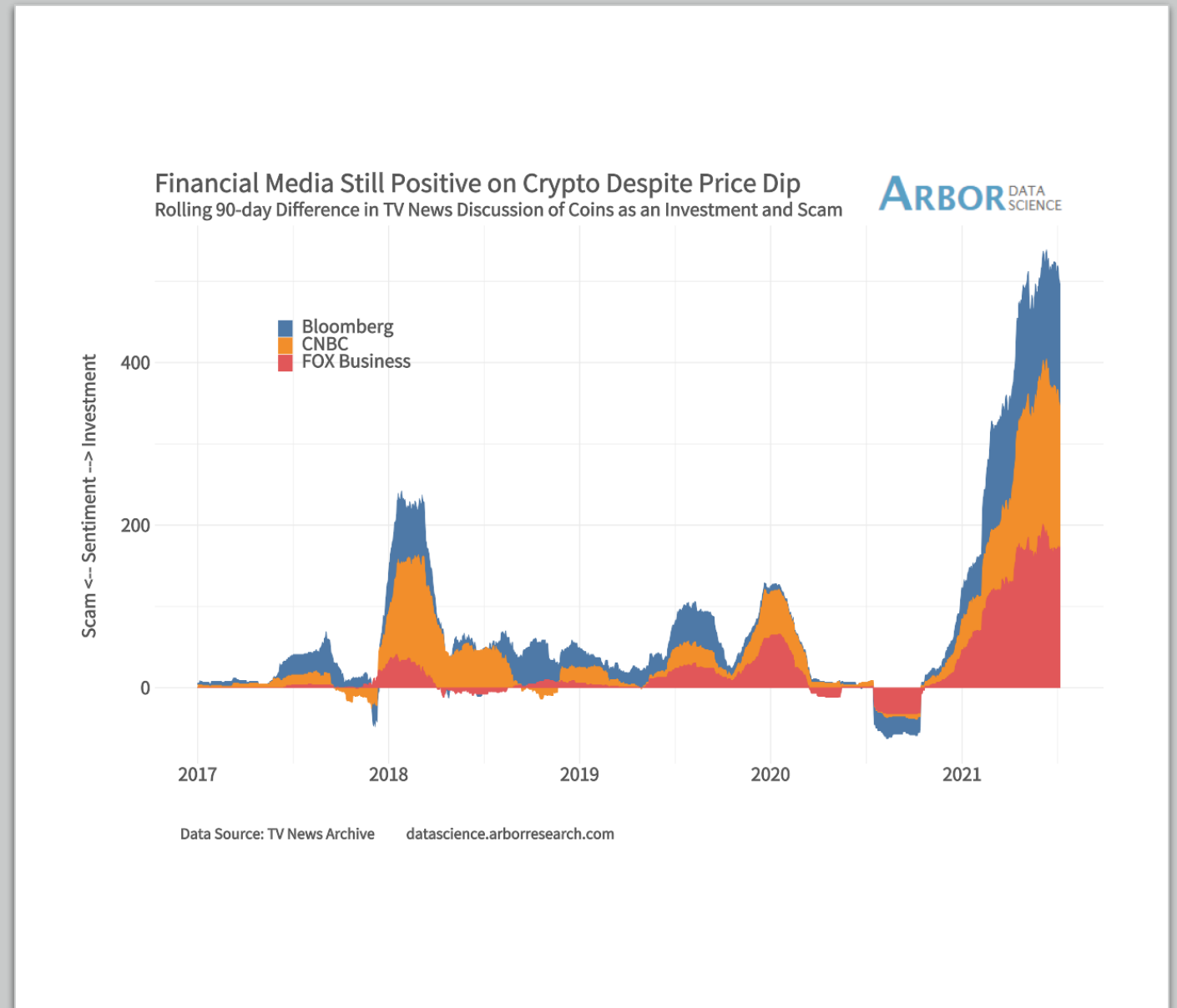
# Ethereum: Variable Importance

- The price of Ether for the past three months is heavily tied to broad interest in cryptocurrency.
- Google searches pertaining to crypto, Alt-Coins (Tokens apart from BTC and ETH), and DeFi are all strong influences according to the model.
- Flow into Emerging Markets as well as housing market searches like refinancing and mortgages also have an effect.



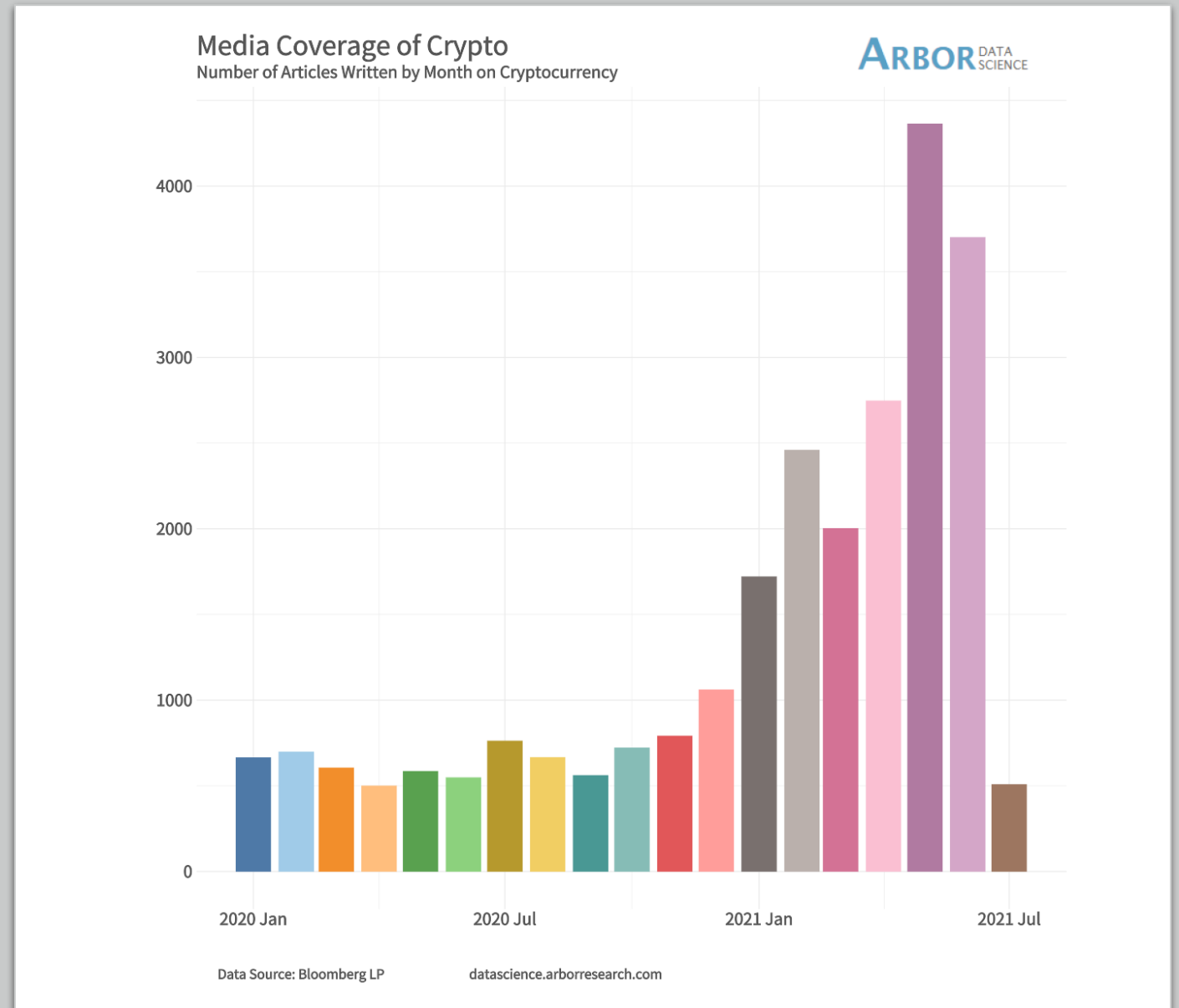
# Television News Sentiment

- Crypto's perception has struggled to continue its bullish rise following the turmoil in the market.
- Its discussion on financial TV news has plateaued with crypto's image under threat from Chinese crackdown and influencer pump-and-dump scams.



# Cryptocurrency Story Count

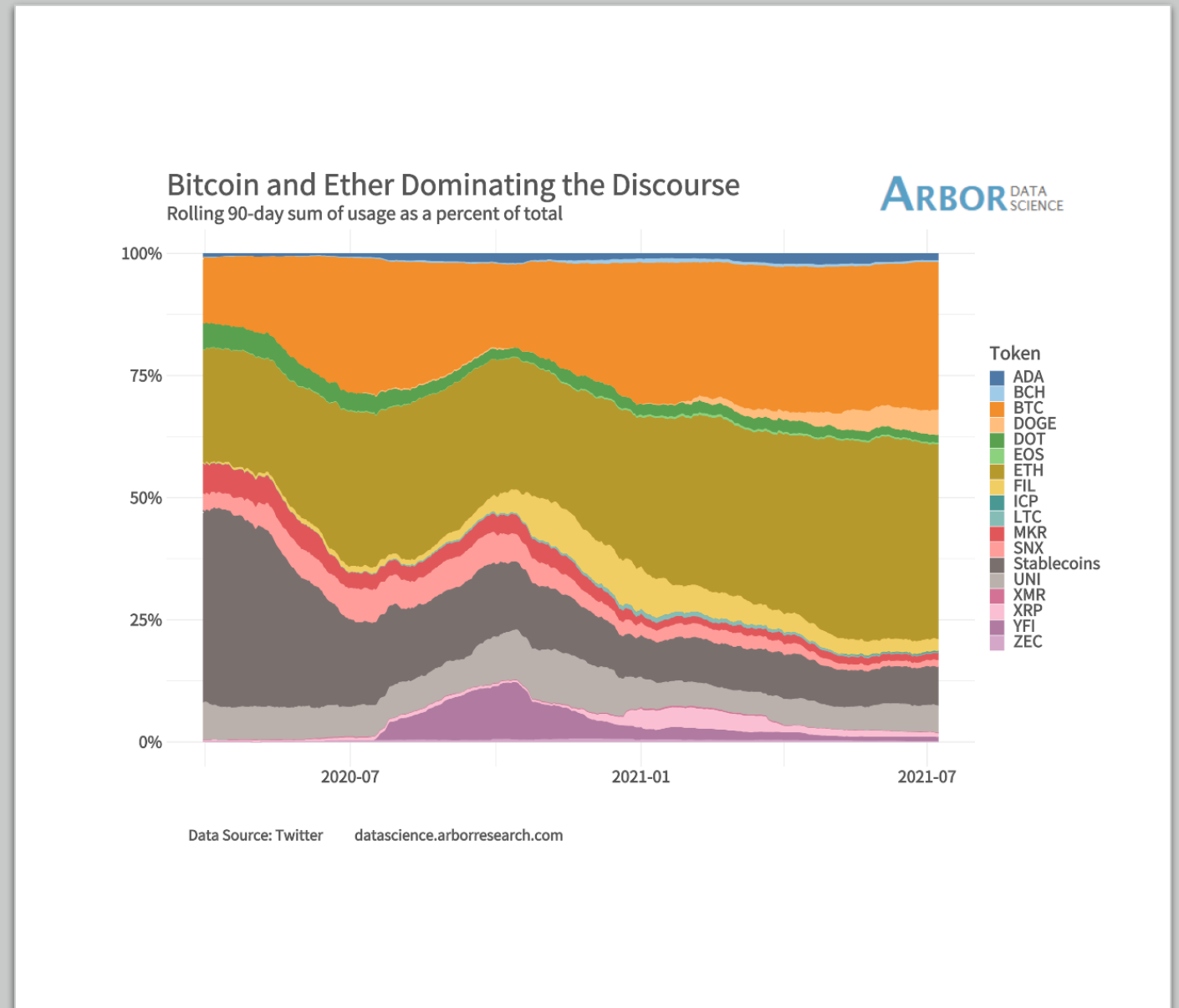
- May was a landmark point for cryptocurrency journalism with well over 4000 articles published!
- Coverage for June was a bit lower but was a close second in terms of raw coverage since 2020.
- July is off to a bit of a slow start too, but we'll see what developments may unfold.





# Cryptocurrency on Twitter

- Dogecoin has continued to gain ground among crypto-space twitter users.
- Other Alt-Coins are struggling for the spotlight that remains firmly on Bitcoin and Ethereum.
- Stablecoins also continue to make up a decent portion of the discourse. One of the most significant criticisms of crypto is how volatile they are. Stablecoins like Tether and USDC seem to remedy this by being pegged to the dollar.

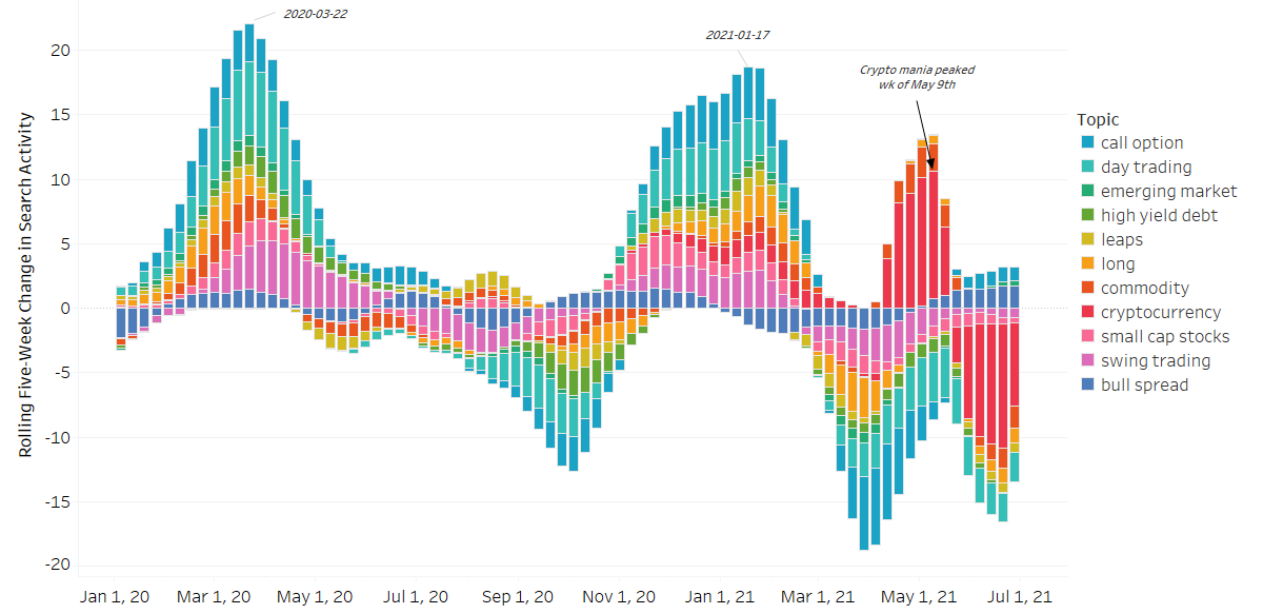


# Search Activity

- Consumer interest, on the other hand, seems to have abated. Search activity for crypto grew rapidly in early May and has declined with more traditional investments stealing the spotlight.
- With prices as boring as they've been, its not particularly surprising that the public has lost interest.

US Investors Love Affair With Commodities and Crypto Fades  
Rolling five-week US search activity adjusted for noise and seasonality

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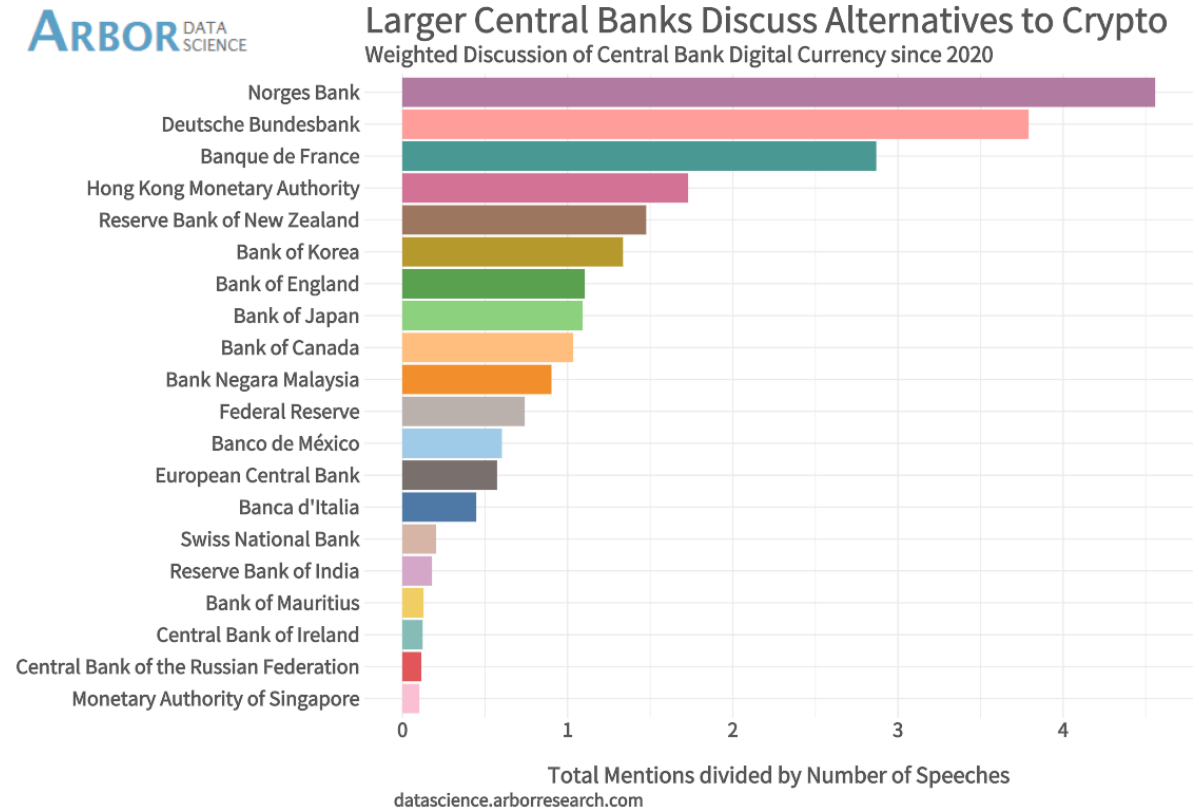


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# Central Bank Digital Currencies

- Some have proposed a more centralized alternative to crypto controlled by central banks.
- This idea is more popular among central banks in developed economies, perhaps due to the threat crypto poses to their control.



## Contact Us

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