

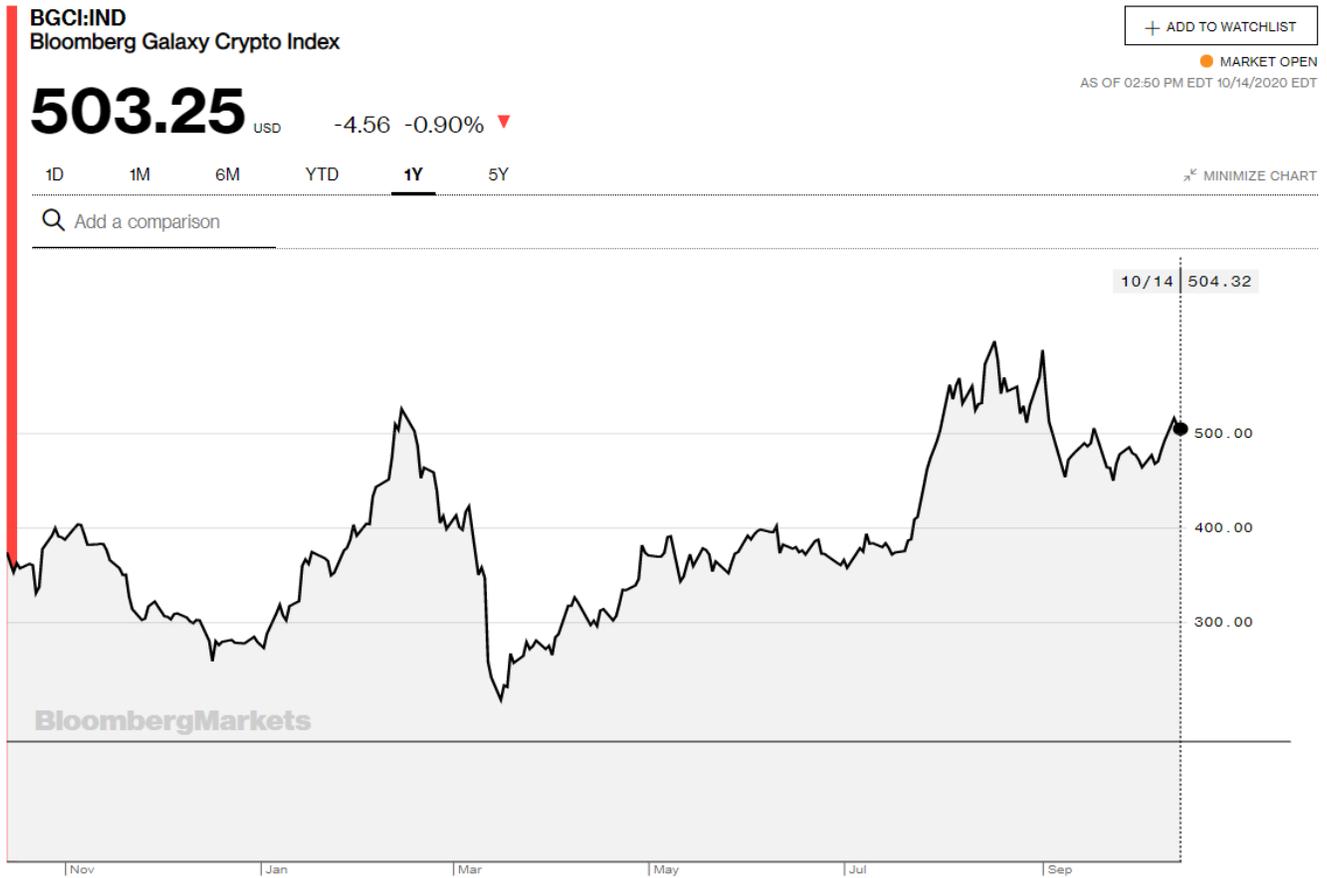


Update on Cryptoassets as of October 15th, 2020

By Van K. Tharp, PhD

Market Summary

Yesterday, October 14th, the Bloomberg Galaxy Crypto Index was at 503.25 after finishing last month at 485.85 and following the low of 217.82 in early March. Two months ago we reached new 12 month highs and then the market immediately corrected. The most recent BTC halving took place on May 11th. BTC miners as a whole now produce 6.25 BTC every ten minutes which is down from 12.50 prior to the halving. It used to cost about \$6,851 to mine a Bitcoin so when BTC was above that price, miners made a profit. Now, it's estimated to cost between \$12,000 to \$14,000 to mine a single BTC and that means at the current market price of about \$11,300 is still undervalued with most miners losing money. This is why we are only guaranteeing GBTC on the downside at 12.50 or less for our Super Traders. GBTC was at \$12.17 at 2:56 pm on October 14th.



Cryptoasset exchanges are still the wild wild west with basically unregulated markets, lots of market manipulation, and now 100 to 1 leverage in some cases. This is why you shouldn't invest anything more than you can afford to lose. Say at most 10% of your liquid net value, and perhaps 2-5% is better.

The following table below tracks the price of five major cryptoassets across three generations of the technology now along with Bloomberg's index:

- Bitcoin, a 1st generation cryptoasset,
- ETH and NEO, 2nd generation cryptos, and
- Iota, a 3rd generation crypto.
- Holo (HOT) – I replaced Skycoin because it is pretty dead and there probably won't ever be a market in it for US Investors.
- BGCI Index – I've also started including BGCI prices in the table.

Date	Bitcoin (1)	Ethereum (2)	Neo (18)	Iota (23)	Holo (55)	BGC Index
High closing price	\$19,497.50*	\$1,396.42**	\$187.41***	\$5.01****	0.0200538 *****	\$1650.20
Jan 15, 2017	\$821.80	9.90	Did not exist	Did not exist	Did not exist	\$1284.96
Oct15, 2017	\$5,501.91	\$329.44	\$27.33	\$0.44		
Nov 15, 2017	\$7,211.34	\$334.16	\$29.35	\$0.79		
Dec15, 2017	\$17,868.00	\$691.41	\$47.99	\$3.90		
Jan 15, 2018	\$14,361.40	\$1,329.25	\$187.41	\$3.48		
Feb 15, 2018	\$9,945.92	\$943.47	\$123.29	\$2.13		
Mar 15, 2018	\$8,082.62	\$594.70	\$69.57	\$1.09		
Apr 15, 2018	\$8,303.10	\$522.46	\$70.33	\$1.67		
May 15, 2018	\$8,227.85	\$692.20	\$63.25	\$2.00	0.001136	
Jun 15, 2018	\$6,456.58	\$491.00	\$38.26	\$1.19	0.000637	
Jul 15, 2018	\$6,375.41	\$449.16	\$33.41	\$0.99	0.000389	
Aug 15, 2018	\$6,308.52	\$284.41	\$16.13	\$0.45	0.000560	436.83
Sep 19, 2018	\$6,345.46	\$209.27	\$16.89	\$0.52	0.001139	406.42
Oct 16, 2018	\$6,615.24	\$210.49	\$16.28	\$0.50	0.001104	436.22
Nov 14, 2018	\$5,739.91	\$182.14	\$13.26	\$0.43	0.000855	380.95
Dec 15, 2018	\$3,232.51	\$84.27	\$5.73	\$0.22	0.000425	197.59
Jan 15, 2019	\$3,700.77	\$128.92	\$7.89	\$0.31	0.000600	246.62
Feb 15, 2019	\$3,639.13	\$123.13	\$8.26	\$0.27	0.001299	243.42
Mar 15, 2019	\$4,011.88	\$140.92	\$9.59	\$0.30	0.001124	273.32
Apr 15, 2019	\$5,052.95	\$161.00	\$10.66	\$0.304	0.001240	322.21
May 15, 2019	\$7,949.29	\$265.90	\$12.16	\$0.424	0.001509	477.47
Jun 19, 2019	\$9,108.28	\$267.17	\$13.59	\$0.437	0.001797	522.08
Jul 15, 2019	\$10,652.35	\$233.20	\$12.37	\$0.304	0.001347	531.37
Aug 15, 2019	\$10,121.61	\$184.60	\$9.77	\$0.233	0.000880	400.71
Sep 15, 2019	\$10,342.89	\$189.56	\$9.10	\$0.249	0.000809	407.05
Oct 15, 2019	\$8088.29	177.39	\$7.14	\$0.275	0.000787	358.28
Nov 15, 2019	\$8526.72	\$180.26	\$11.99	\$0.257	0.000996	366.20
Dec 15, 2019	\$7107.57	\$142.28	\$8.98	\$0.175	0.000711	280.27
Jan 15, 2020	\$8755.32	\$164.1	\$11.15	\$0.228	0.000713	361.92
Feb 15, 2020	\$9889.42	\$264.73	\$15.00	\$0.289	0.000844	525.32
Mar 14, 2020	\$5332.96	\$127.34	\$5.96	\$0.150	0.000333	241.61
Apr 16, 2020	\$7024.17	\$170.5	\$7.46	\$0.157	0.000346	309.68
May 16 2020	\$9313.92	\$188	\$9.98	\$0.197	0.000528	359.29
Jun 15 2020	\$9565.88	\$234.24	\$10.62	\$0.221	0.000592	381.55
Jul 15, 2020	\$9179.76	\$237.54	\$10.97	\$0.24449	0.000708	378.28
Aug 15, 2020	\$11,869.45	\$435.13	\$15.28	\$0.417556	0.000861	572.61
Sep 15, 2020	\$10,779.19	\$365.58	\$20.83	\$0.278880	0.000547	\$485.85
Oct 14, 2020	\$11,335.38	\$375.68	\$17.03	\$0.271069	0.000489	\$503.25

Date of the All-Time High Closes

*Dec 16, 2017 ** Jan 13, 2018 ***Jan 15, 2018 **** Dec 8, 2017 ***** May 29, 2019 # Jan 5, 2017

Last month there were HUGE changes in almost everything. That was somewhat of a contra-indicator as this month most things are down from last month. Neo is up 35.23% over the last 30 days, but most of the cryptos in the table are down.

The following table tracks the amount of money in stable coins in the top 100 or which have a market cap of over \$100 million. The percentage of the total crypto market cap indicates one measure of health for the crypto market.

Date	Total Crypto Market Cap	Number of coins over \$100M	Market Cap Stablecoins over \$100M
8-Jan-18	\$830.0 Billion**		\$1.48 billion
15-Jul-18	\$255.30 Billion		\$1.48 billion
15-Jan-19	\$123.23 Billion		\$2.90 billion
15-Apr-19	\$170.51 Billion		\$3,12 billion
15-Jul-19	\$286.58 Billion		\$6.39 billion
15-Oct-19	\$232.23 Billion		\$6.13 billion
15-Nov-19	\$233.12 Billion		\$6.08 billion
15-Dec-19	\$192.84 Billion	Number of \$100M	
15-Jan-20	\$239.57 Billion	48	\$5.37 billion
18-Feb 20	\$291.57 Billion	64	\$6.67 billion
14 Mar 20	\$153.83 Billion	45	\$5.71 billion
16 Apr 20	\$201.12 Billion	49	8.701 billion (6)
16 May 20	\$256.15 Billion	60	11.385 billion (8)
15 Jun 20	\$268.94 Billion	66	10.742 billion (5)
15 Jul 20	\$271.69 Billion	77	11.142 billion (7)
15 Aug 20	\$374.59 Billion	105	12,083 billion (6)
15 Sep 20	\$347.44 Billion	101	17,324 billion (5)
14 Oct 20	\$357.05 Billion	93	20,959 billion (7)*
* The 7 stable coins include USDT, USDC, DAI, BUSD, TUSD, PAX, and HUSD.			

Since last month we had about a 7% drop in the overall market cap and a huge increase in the value of the stablecoins with a market cap over \$100 billion. What didn't show up this month was Binance's stablecoin, which is interesting because Binance owns coin market cap and its own crypto BNB has been doing well.

Date	Total Crypto Market Cap	% Bitcoin*	% Top Five&	Cryptos Listed	Cyptos w/ Market cap >\$25M
8-Jan-18	\$830.0 Billion**	34.3%	69.7%		
15-Jan-18	\$712.0 Billion	33.7%	69.6%		
15-Feb-18	\$472.2 Billion	35.7%	71.4%	1530	
15-Mar-18	\$327.4 Billion	42.7%	74.3%	1527	
15-Apr-18	\$332.0 Billion	42.2%	74.3%	1568	
15-May-18	\$376.5 Billion	37.2%	71.2%	1609	
15-Jun-18	\$281.6 Billion	39.9%	73.9%	1629	
15-Jul-18	\$255.3 Billion	43.1%	75.0%	1637	
15-Aug-18	\$203.2 Billion	52.5%	79.6%	1842	
19-Sep-18	\$198.2 Billion	55.3%	78.6%	1977	
16-Oct-18	\$211.9 Billion	54.1%	78.9%	2085	
14-Nov-18	\$187.0 Billion	53.3%	79.4%	2095	
15-Dec-18	\$104.3 Billion	55.0%	78.0%	2072	
15-Jan-19	\$123.23 Billion	52.3%	78.4%	2108	
15-Feb-19	\$133.45 Billion	51.9%	70.3%	2071	
15-Mar-19	\$140.34 Billion	50.6%	75.9%	2112	Cyptos w/ Market cap >\$25M
15-Apr-19	\$170.51 Billion	52.1%	75.8%	2172	
15-May-19	\$250.76 Billion	56.1%	79.8%	1977	
15-Jun-19	\$285.54 Billion	57.1%	79.4%	2238	194
15-Jul-19	\$286.58 Billion	66.0%	83.4%	2220	171
15-Aug-19	\$262.10 Billion	68.5%	83.9%	2315	142
15-Sep-19	\$266.23 Billion	69.7%	85.0%	2365	130
15-Oct-19	\$232.23 Billion	63.6%	80.9%	2407	163
15-Nov-19	\$233.12 Billion	66.0%	83.1%	2369	139
15-Dec-19	\$192.84 Billion	66.9%	82.7%		96
15-Jan-20	\$235.19 Billion	66.7%	89.9%	2397	121
18 Feb 20	\$291.57 Billion	62.2%	81.6%	2408	149
14 Mar 20	\$153.87 Billion	63.7%	80.6%	2450	102
16 Apr 20	\$201.12 Billion	63.9%	82.7%	2514	122
16 May 20	\$256.25 Billion	67.0%	84.2%	2040	133
15 Jun 20	\$269.47 Billion	65.3%	83.1%	2677	263
15 Jul 20	\$271.11 Billion	62.3%	80.3%	2735	265
15 Aug 20	\$374.59 Billion	58.3%	79.6%	3095	320
15 Sep 20	\$347.44 Billion	57.4%	75.0%	3417	305
14 Oct 20	\$357.05 Billion	58.7%	80.8%*	3632	307

*Does not include stablecoins in the top five

* Bitcoin was as high as 90% of the market cap of all cryptos at the beginning of 2017 to as low as 32% at the top of the market. Part of the difference is that there are now nearly 2,000 cryptocurrencies. So the number keeps going up even though the market cap goes down.

** This was the peak of the crypto market in terms of market cap. Data via Tama Churchouse, Asia West Investor email on 4/11/18
 & -- Tether is not included in the top 5 as of Sept. 20.

Four months ago, coinmarketcap.com listed 133 coins with a market cap above \$25 million. This month there are 305. Conclusion: Something is happening now with altcoins. Last month Coinmarketcap claimed they were 6,460 coins and now they list 7,062. There are weird coins toward the bottom of the list 3X Bitcon or 3X Litecoin, ETH 20 da MA or ETH RSI 60/30 or 3x short Tether. Be careful with anything like that. I only trust what's listed in the top 200 in their list – and that doesn't mean I'd come close in investing in any of them.

This month we are following 115 cryptos. Those include most of the top 75 cryptoassets in terms of market cap, but there are still some for which we cannot get data.

December 2020 (n/a)	November 2020 (n/a)	Oct 2020																																																															
		<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>5</td> <td>4.3%</td> </tr> <tr> <td>Bullish</td> <td>29.00</td> <td>25.2%</td> </tr> <tr> <td>Neutral</td> <td>51.00</td> <td>44.3%</td> </tr> <tr> <td>Bearish</td> <td>25.00</td> <td>21.7%</td> </tr> <tr> <td>Very Bearish</td> <td>5.00</td> <td>4.3%</td> </tr> <tr> <td>Total:</td> <td>115</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	5	4.3%	Bullish	29.00	25.2%	Neutral	51.00	44.3%	Bearish	25.00	21.7%	Very Bearish	5.00	4.3%	Total:	115																																											
Count Stats	Count																																																																
Very Bullish	5	4.3%																																																															
Bullish	29.00	25.2%																																																															
Neutral	51.00	44.3%																																																															
Bearish	25.00	21.7%																																																															
Very Bearish	5.00	4.3%																																																															
Total:	115																																																																
Sep 2020	Aug 2020	July 2020																																																															
<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>8</td> <td>7.0%</td> </tr> <tr> <td>Bullish</td> <td>33.00</td> <td>28.7%</td> </tr> <tr> <td>Neutral</td> <td>53.00</td> <td>46.1%</td> </tr> <tr> <td>Bearish</td> <td>16.00</td> <td>13.9%</td> </tr> <tr> <td>Very Bearish</td> <td>5.00</td> <td>4.3%</td> </tr> <tr> <td>Total:</td> <td>115</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	8	7.0%	Bullish	33.00	28.7%	Neutral	53.00	46.1%	Bearish	16.00	13.9%	Very Bearish	5.00	4.3%	Total:	115		<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>28</td> <td>24.3%</td> </tr> <tr> <td>Bullish</td> <td>53.00</td> <td>46.1%</td> </tr> <tr> <td>Neutral</td> <td>21.00</td> <td>18.3%</td> </tr> <tr> <td>Bearish</td> <td>11.00</td> <td>9.6%</td> </tr> <tr> <td>Very Bearish</td> <td>2.00</td> <td>1.7%</td> </tr> <tr> <td>Total:</td> <td>115</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	28	24.3%	Bullish	53.00	46.1%	Neutral	21.00	18.3%	Bearish	11.00	9.6%	Very Bearish	2.00	1.7%	Total:	115		<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>22</td> <td>19.1%</td> </tr> <tr> <td>Bullish</td> <td>41.00</td> <td>35.7%</td> </tr> <tr> <td>Neutral</td> <td>33.00</td> <td>28.7%</td> </tr> <tr> <td>Bearish</td> <td>16.00</td> <td>13.9%</td> </tr> <tr> <td>Very Bearish</td> <td>3.00</td> <td>2.6%</td> </tr> <tr> <td>Total:</td> <td>115</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	22	19.1%	Bullish	41.00	35.7%	Neutral	33.00	28.7%	Bearish	16.00	13.9%	Very Bearish	3.00	2.6%	Total:	115	
Count Stats	Count																																																																
Very Bullish	8	7.0%																																																															
Bullish	33.00	28.7%																																																															
Neutral	53.00	46.1%																																																															
Bearish	16.00	13.9%																																																															
Very Bearish	5.00	4.3%																																																															
Total:	115																																																																
Count Stats	Count																																																																
Very Bullish	28	24.3%																																																															
Bullish	53.00	46.1%																																																															
Neutral	21.00	18.3%																																																															
Bearish	11.00	9.6%																																																															
Very Bearish	2.00	1.7%																																																															
Total:	115																																																																
Count Stats	Count																																																																
Very Bullish	22	19.1%																																																															
Bullish	41.00	35.7%																																																															
Neutral	33.00	28.7%																																																															
Bearish	16.00	13.9%																																																															
Very Bearish	3.00	2.6%																																																															
Total:	115																																																																
Jun 2020	May 2020	April 2020																																																															
<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>3</td> <td>2.6%</td> </tr> <tr> <td>Bullish</td> <td>18.00</td> <td>15.7%</td> </tr> <tr> <td>Neutral</td> <td>66.00</td> <td>57.4%</td> </tr> <tr> <td>Bearish</td> <td>26.00</td> <td>22.6%</td> </tr> <tr> <td>Very Bearish</td> <td>2.00</td> <td>1.7%</td> </tr> <tr> <td>Total:</td> <td>115</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	3	2.6%	Bullish	18.00	15.7%	Neutral	66.00	57.4%	Bearish	26.00	22.6%	Very Bearish	2.00	1.7%	Total:	115		<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>0</td> <td>0.0%</td> </tr> <tr> <td>Bullish</td> <td>9.00</td> <td>7.7%</td> </tr> <tr> <td>Neutral</td> <td>31.00</td> <td>26.5%</td> </tr> <tr> <td>Bearish</td> <td>77.00</td> <td>65.8%</td> </tr> <tr> <td>Very Bearish</td> <td>0.00</td> <td>0.0%</td> </tr> <tr> <td>Total:</td> <td>117</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	0	0.0%	Bullish	9.00	7.7%	Neutral	31.00	26.5%	Bearish	77.00	65.8%	Very Bearish	0.00	0.0%	Total:	117		<table border="1"> <thead> <tr> <th>Count Stats</th> <th>Count</th> <th></th> </tr> </thead> <tbody> <tr> <td>Very Bullish</td> <td>0</td> <td>0.0%</td> </tr> <tr> <td>Bullish</td> <td>11.00</td> <td>9.2%</td> </tr> <tr> <td>Neutral</td> <td>57.00</td> <td>47.5%</td> </tr> <tr> <td>Bearish</td> <td>43.00</td> <td>35.8%</td> </tr> <tr> <td>Very Bearish</td> <td>9.00</td> <td>7.5%</td> </tr> <tr> <td>Total:</td> <td>120</td> <td></td> </tr> </tbody> </table>	Count Stats	Count		Very Bullish	0	0.0%	Bullish	11.00	9.2%	Neutral	57.00	47.5%	Bearish	43.00	35.8%	Very Bearish	9.00	7.5%	Total:	120	
Count Stats	Count																																																																
Very Bullish	3	2.6%																																																															
Bullish	18.00	15.7%																																																															
Neutral	66.00	57.4%																																																															
Bearish	26.00	22.6%																																																															
Very Bearish	2.00	1.7%																																																															
Total:	115																																																																
Count Stats	Count																																																																
Very Bullish	0	0.0%																																																															
Bullish	9.00	7.7%																																																															
Neutral	31.00	26.5%																																																															
Bearish	77.00	65.8%																																																															
Very Bearish	0.00	0.0%																																																															
Total:	117																																																																
Count Stats	Count																																																																
Very Bullish	0	0.0%																																																															
Bullish	11.00	9.2%																																																															
Neutral	57.00	47.5%																																																															
Bearish	43.00	35.8%																																																															
Very Bearish	9.00	7.5%																																																															
Total:	120																																																																

The tables above show the Market SQN® rankings of the cryptos we track. Last month we had 8 strong bull and another 33 that are bullish. In Aug. 2020 we had 81 bullish cryptos. This month we have 5 strong bull cryptos and 29 bullish. Thus, the market is weakening.

Last month I said it's time to have a strong position in this market. That, of course, was a top, but if you held the course, then you should be doing well in the next few months.

The chart below shows the 15 top and bottom cryptoassets. The top coin is now NEM (XEM) but that data looks inaccurate as XEM is actually down over the last 30 days even though it's up 268% so far this year.

Top 15 Cryptos			Bottom 15 Cryptos		
1	XEM	2.38	1	STEEM	-1.90
2	XMR	1.96	2	NULS	-1.27
3	STORJ	1.77	3	BCN	-1.11
4	MLN	1.72	4	CRPT	-1.04
5	BNB	1.67	5	AGI	-0.99
6	ETH	1.43	6	TNT	-0.78
7	LINK	1.40	7	KBC	-0.76
8	WAVES	1.38	8	SOLVE	-0.70
9	DGD	1.30	9	EDG	-0.63
10	NEO	1.29	10	MAID	-0.57
11	ADX	1.25	11	RVN	-0.53
12	XRP	1.25	12	DCR	-0.52
13	MANA	1.24	13	WTC	-0.47
14	OMG	1.24	14	PPT	-0.44
15	LRC	1.19	15	ARK	-0.29

We now have 21 cryptos with Market SQN® scores above 1.0 (versus over 60 two months ago) and one with a score over 2.0 vs seven two months ago.

- XMR is our second best coin in the top 15. It's up 184% in 2020 and up about 37% over the last month.
- Storj is number 3 on the list, that that's partially because it up 13.63% over the last 30 days and up over 478.7% in 2020.
- I don't know anything about MLN (Mellon) at #4 as I don't own it and it is 190 in market cap. I tend to avoid such coins.
- Binance's coin, BNB, is up 122.6% this year (after being up 130.5% last year. It's slightly down over the last 30 days (down minus 2.23%).
- Ethereum, the number 2 market cap coin, comes in at #6. ETH is breakeven on the month (down 0.2%) but it is up 190.14% for 2020.
- One of my favorites is LINK which in now at #7. It's up 505.95% this year, but its down about 10% this month. It had moved up to #5 in market cap but it is now back down to #7. I was trading LINK in the VTI trading contest, but I sold it at over \$19 – because I was up over 400% with the position. However, it's now down to \$10.81.
- Waves comes in at #8 even though it is down 13.5% over the last 30 days. It is up 144.73% during 2020.
- DGD (DigixDAO) is #9 and is involved in the tokenization of physical assets. I'm not excited about DGD though as its market cap is #472.
- Finally, #10 on the list is NEO. Neo is down 22.56% over the last 30 days. However, it's up 98.13% in 2020.

Finally, BTC has moved up to #21 on our list with a Market SQN® score of 1.06. It's up 6.25% on the month and 58.05% in 2020.

Crypto News

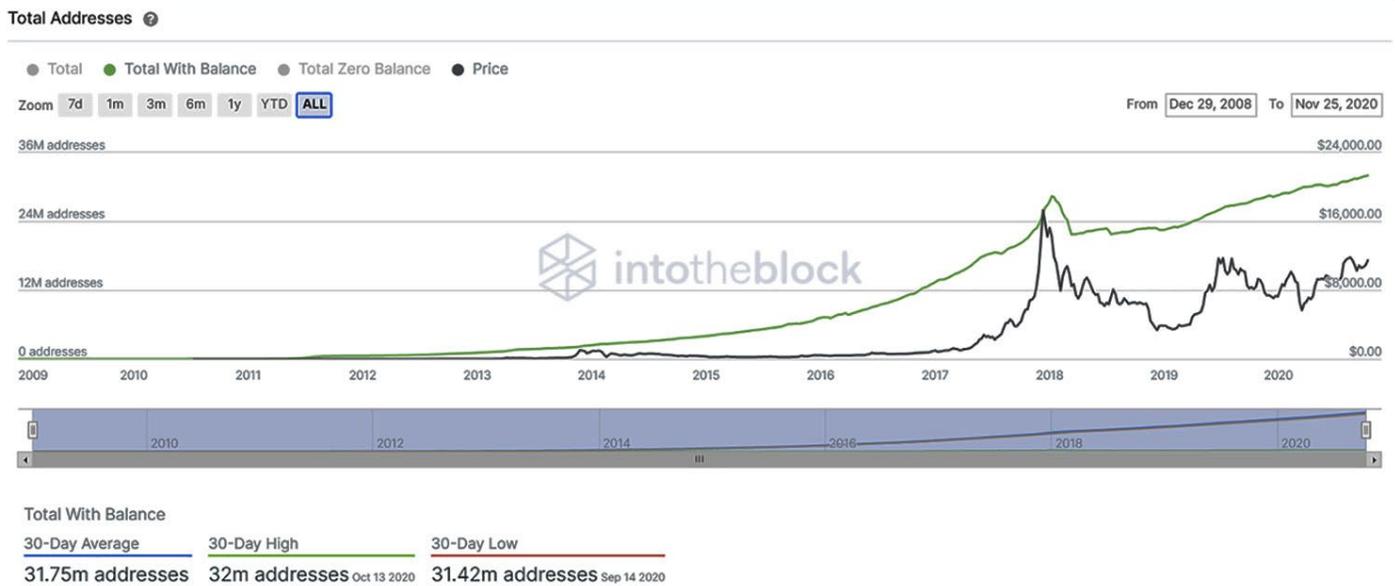
I have no idea where this market is going, but my guess is that Cryptos will remain uncorrelated with the rest of the market and will be much higher by the end of the year.

Bitcoin News: BTC, which represents a majority of the market is up 58.05% over the year after being up 92.7% last year. At it's current price of \$11,371, 88% of all BTC holders are in the money. And that's because about 65% of the BTC holders have been in it for more than a year. 10% of BTC holders are consider to be large holders. In the last 7 days \$2.59 billion has gone into BTC at the exchanges while \$2.57 billion has gone out of it. This data is from "intotheblock" (subscription \$100) and I'm not sure if the latest data includes OTC markets or not. If it doesn't then it is useless.

Intotheblock can also show addresses which are in the money, out of the money, and at the money as shown in the following figure:

<u>In the Money</u>	<u>Percentage</u>	<u>Out of the Money</u>	<u>Percentage</u>	<u>At the Money</u>	<u>Percentage</u>	<u>Coverage</u>
28.19m addresses	88.12%	2.28m addresses	7.12%	1.52m addresses	4.76%	100%

Intotheblock has a lot of interesting data. For example, At its peak in 2018, BTC had 27.47 million addresses. Currently, BTC has 31.75 million. Active addresses amount to 3.14% of the total addresses. BTC is now held an average of 3.1 years.



Think about that. Out of 7.8 billion people on the planet, only 31.75 million own bitcoins and many of those could be addresses owned by the same people. For example, I have two Trezors with BTC address and another one on Coinbase and there may be some on old exchanges with a very small fractional amount. So let's say I am one of these with multiple addresses and that I have four of them. If most owners are like that, then perhaps 8-12 million people own BTC in the world.

That shows you something about the upside potential. In 2018 at the high there were 27.51 million BTC addresses. And remember about 4 million BTC is stored someplace on the network and cannot be accessed. These addresses include: 1.1 million BTC attributed to the inventor, Satoshi, those where the keys have been lost, and those lost due to the death of an owner who left no recovery instructions.

With 14 million BTC in circulation and 31.75 million address, means each address has an average of 0.4409 BTC. But of course, some addresses might have 50,000 BTC or more.

I like going to Cointelegraph.com for news. On Oct. 14th there was an article by Antonio Madeira citing multiple data points which suggest a 2017 type of runup for BTC is about to happen –

- Oct. 5th to Oct. 12th was the best performing month for BTC since July.
- The Tie, an alternative data provider, says the daily sentiment score of BTC has reached 62.4. This is the difference between positive and negative scores on Twitter. Anything above 50 is positive.
- There was negative press on Cryptos at the start of Oct., including a CFTC and DOJ crackdown on BitMEX for illegally operating a derivatives exchange. And the UK banned retail crypto derivatives. But it had little impact on price.
- Square allocated 1% of its assets to BTC.
- Willy Woo a BTC analyst says, “Investor activity is predicated on an on-chain volume. This is because when BTC moves between wallets between two different participants we assume there was a payment of it off-chain (fiat or altcoin). It’s an imperfect measure but approximates what is going on.”
- Not only has activity increased but the number of coins held on exchanges has steadily declined with the changing trend resembling the accumulation period that occurred before the 2017 bull market.
- There is a political and financial storm brewing that is perfect for increase BTC prices.
- Around \$300M worth of tokens are being sent to DeFi dapps every day. This is outpacing centralized exchanges which see a daily inflow of about \$156M. To date more than \$1.1 billion worth of BTC has been tokenized on the ETH blockchain through wrapped BTC alone.

There are, however, also significant hurdles ahead:

- 1) BTC has sold off at the \$12,000 level at least three times in 2020 as whales and miners take profits. It could happen a fourth time.
- 2) There is the potential of regulatory crackdowns on the decentralized finance sector. A blanket ban cannot be forced but regulators could seize centralized domains and arrest project workers.

One of the best known BTC price models (Plan B, a time series model) says that an order of magnitude step up in price is due now. The model called for an average BTC price of \$288,000 before 2024 – when the next halving occurs. Where would all of this new money come from? Possibly from: 1) gold investors 2) silver investors; 3) countries with negative interest rates; 4) countries with predatory governments; 5) millionaires and billionaires hedging against quantitative easing (QE), and institutional investors wanting to hedge their portfolios with a non-correlated asset.

Ethereum (ETH) and Ethereum Classic (ETC): ETH is set to launch its Ethereum 2.0 upgrade later this year, ending a long streak of delays. And it will start moving a proof of stake model (vs its current proof of work). That means the old miners of ETH will have to shift because their equipment will be obsolete. ETH when it goes above \$400, a key resistance point, is on a fast track to \$500.

Trading ETC is still dangerous because of 51% hacks and last time I tried, the exchange blocked the trade.

More Data

I look at the top performing altcoins with cointracking.info. They list about 100 coins that I either own or used to own and I can get a 30 day trend from that list. Here are some coins that had upward trends in the last 30 days:

Until next month,

This is Van Tharp

Coin	Price	30 Day Trend
Salt	0.2203	231.33%
MNE	0.3274	166.85%
Arcona	0.0163	46.15%
XMR	128.23	37.49%
EBK	0.0027	33.57%
QRL	0.1364	24.69%
REN	0.3762	19.3%
IQ	0.0024	15.7%

We value your feedback on this new format!

Let us know what you think by answering [this one question survey](#).