



Update on Cryptoassets as of July 15th, 2020

By Van K. Tharp, PhD

Market Summary

Yesterday, July 15, the Bloomberg Galaxy Crypto Index was at 378.28 after being at 381.55 last month following a low of 217.82 in early March. The market has been slowly regaining but it is still off from both its 2019 and 2020 highs. The BTC halving took place on Monday, May 11th around 4PM which means that miners now produce 6.25 BTC every ten minutes. That's down from 12.50 BTC 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 which means the current cost to produce a coin exceeds the market price of \$9,179.76 thus, the miners are losing money.



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. It will probably continue to be the Wild West until we see a multi-trillion-dollar market cap and a much more regulated market. And who knows what the nature of the market will be once that happens.

Think about the current largest crypto exchange, Binance:

- 1) It's totally unregulated. They can do what they want.
- 2) It's the largest crypto exchange in the world.
- 3) It has its own futures exchange with crazy people trading at 100 to 1 leverage.
- 4) And now it also mines BTC.

Can you imagine what it is capable of doing in terms of manipulating the market?



Image credit: cointelegraph.com

Furthermore, if you have a major impact in controlling the price of BTC and held 80,000 of them and mined 4.5% of them, would you be willing to mine them for at a loss for long? I doubt it. So, it's pretty logical to assume that the price will soon be above \$12,500 – the breakeven price for mining now.

This is not a prediction. It's a logical conclusion based upon past data and the context could change enough that past data is meaningless.

Changpeng Zhao, often known by his initials CZ, is the man behind Binance. In April 2018, Forbes ranked him as the 3rd richest person in cryptocurrencies and had his net worth on September, 2018 as being \$1.4 billion. Cryptos haven't gone up much in a while but Binance's domination of the crypto market has.

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 crypto asset,
- 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

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

Notice that BTC and ETH have had nice recoveries, and suddenly, the lower priced coins IOTA and HOT have started to take off.

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)

So we have had a market cap recovery of about 30%.

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

* 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 2000 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

There were some interesting changes this month. Last month Coin Market Cap listed 2677 coins. This month they list 2735 coins. And two months ago there were 133 coins with a market cap above \$25 million. This month there are 263. Conclusion: Something is happening now with altcoins. Last month coin market cap claimed they were 5584 coins, but this month it's at 5735 coins.

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.

July 2020			June 2020			May 2020		
Count Stats	Count		Count Stats	Count		Count Stats	Count	
Very Bullish	22	19.1%	Very Bullish	3	2.6%	Very Bullish	0	0.0%
Bullish	41.00	35.7%	Bullish	18.00	15.7%	Bullish	9.00	7.7%
Neutral	33.00	28.7%	Neutral	66.00	57.4%	Neutral	31.00	26.5%
Bearish	16.00	13.9%	Bearish	26.00	22.6%	Bearish	77.00	65.8%
Very Bearish	3.00	2.6%	Very Bearish	2.00	1.7%	Very Bearish	0.00	0.0%
Total:	115		Total:	115		Total:	117	
April 2020			Mar2020			Feb 2020		
Count Stats	Count		Count Stats	Count		Count Stats	Count	
Very Bullish	0	0.0%	Very Bullish	0	0.0%	Very Bullish	5	4.2%
Bullish	11.00	9.2%	Bullish	6.00	5.0%	Bullish	27.00	22.5%
Neutral	57.00	47.5%	Neutral	29.00	24.2%	Neutral	51.00	42.5%
Bearish	43.00	35.8%	Bearish	64.00	53.3%	Bearish	32.00	26.7%
Very Bearish	9.00	7.5%	Very Bearish	21.00	17.5%	Very Bearish	5.00	4.2%
Total:	120		Total:	120		Total:	120	

The six tables above show the Market SQN® rankings of the 117 crypto over the last 5 months. Our last peak was in February 2020 when we had 5 strong bull and 17 bullish. This month we have 22 strong bull and 41 bullish. That's 54.8% bullish. This doesn't show up in coinmarketcap.com and it doesn't show up in the BGCI Index. But the stronger altcoins are definitely starting to move.

Top 15 Cryptos			Bottom 15 Cryptos		
1	ADA	2.82	1	AGI	-0.99
2	LINK	2.77	2	ETP	-0.80
3	XVG	2.30	3	KBC	-0.76
4	ZIL	2.23	4	LA	-0.57
5	RLC	2.18	5	SC	-0.54
6	NULS	2.03	6	LRC	-0.52
7	ICX	1.90	7	VET	-0.47
8	OMG	1.89	8	WTC	-0.47
9	XLM	1.85	9	MCO	-0.45
10	HOT	1.73	10	ARK	-0.29
11	IOTX	1.73	11	USDC	-0.18
12	ONT	1.72	12	WAX	-0.14
13	REP	1.67	13	BTM	-0.10
14	STRAT	1.64	14	STEEM	-0.03
15	DGB	1.64	15	MAID	0.00

The chart just above shows the 15 top and bottom Cryptoassets. We now have 43 cryptos with SQN scores above 1.0 and six with a score above 2.0. And while ZIL is not a crypto that has really caught my attention before, its chart since the end of April is quite nice. But Chainlink and ADA are even better.

Right now BTC has a Market SQN score of 1.13 and ranks 39 out of our 115 cryptos by Market SQN score.

Update for Super Trader Crypto System

We got our latest trade on May 6 – just five days before the halving. It hasn't done much in the 67 days we have held it, but it's still up.

Row	Purchase Date	Purchase Price	No. of shares	Purchase Cost	Sell Date	Sell Price	Value	G/L	G/L%	Days Held
No of Buys	12							Total G/L	1,847,054.49	184705%
No Of Sells	11									
Active Trade	68	5/6/2020	200	1,831,212.46	last close:	9,229.15	1,845,830.76	14,618.31	1%	67
	127	1/28/2020	228	2,138,644.68	3/8/2020	8,039.48	1,833,000.74	305,643.94	-14%	40
buy price mor	293	2/23/2019	251	1,038,218.83	9/24/2019	8,511.69	2,136,434.35	1,098,215.52	106%	213
	902	8/6/2017	96	313,307.52	1/23/2018	10,808.99	1,037,663.04	724,355.52	231%	170
	1093	4/27/2017	160	206,078.40	7/16/2017	1,970.51	315,281.60	109,203.20	53%	80
	1206	10/12/2016	223	142,497.00	3/25/2017	929.06	207,180.38	64,683.38	45%	164
	1440	10/23/2015	264	72,655.44	8/3/2016	540.00	142,560.00	69,904.56	96%	285
	1790	6/28/2015	323	81,140.83	8/19/2015	224.80	72,610.40	8,530.43	-11%	52
	2157	5/31/2014	148	91,908.00	8/14/2014	548.81	81,223.88	10,684.12	-12%	75
	2339	8/22/2013	141	15,570.63	2/13/2014	651.99	91,930.59	76,359.96	490%	175
	2571	12/6/2012	159	2,098.80	6/26/2013	97.87	15,561.33	13,462.53	641%	202
	2814	1/2/2012	200	1,000.00	10/26/2012	10.55	2,110.00	1,110.00	111%	298

This trade is for one of the five crypto systems Super Traders have access to but we do not trade BTC this way so I'm willing to show you its performance and I will continue to track it in this update.

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.

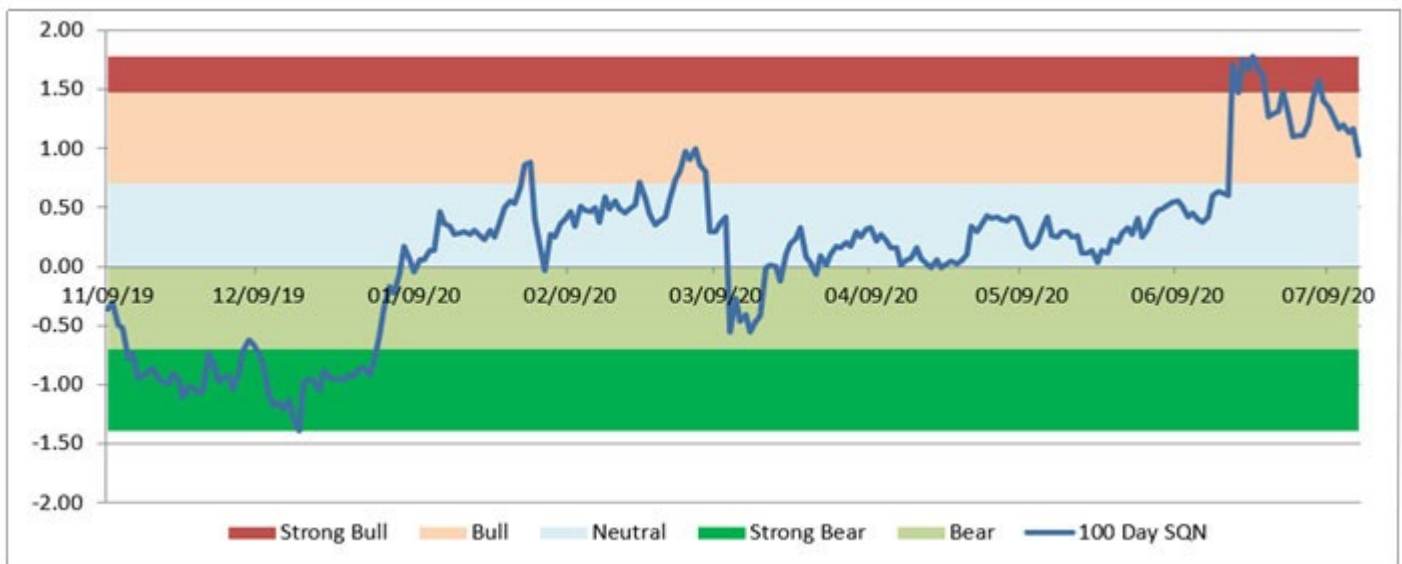
I have another way of looking at the top performing altcoins. I use cointrackinginfo.io to keep track of the taxes on my positions. They list about 100 coins that I either own or used to own. And I can get a 30-day trend from that list. I have a lot of coins that were air dropped into my account, so I'm only including those for which the value of the coins I own is at least \$25. Even then, however, the list includes coins that I've never bought (i.e., BCD). Based upon that information, the top 10 coins are as follows in the figure below. I've crossed out the value of the coins that I own except for the negligible positions of under \$50 total value.

Currency	Amount	Value in USD	Price in USD	Trend 30d
 LINK	3,598.00	██████████	8.44463393	115.01 %
 VET	196,340.70	██████████	0.01882933	108.42 %
 VTHO	17,855.58	17.63	0.00101035	85.72 %
 MNE	32,000.00	██████████	0.08266536	85.28 %
 ADA	7,592.27	██████████	0.12923351	65.13 %
 BCD	0.00	0.00	0.87662022	52.23 %
 ATOM2	59.04	██████████	3.94717909	45.70 %
 ELEC	4.04	0.00	0.00073480	44.70 %
 STRAT	29.80	17.14	0.57516720	39.61 %
 QTUM	20.98	48.60	2.31637524	38.28 %

The following chart shows BTC prices over the last year.



The chart below shows BTC's market type directional component as measured by the Market SQN score. Currently, BTC is in a Bull mode.



TRADING GENIUS CONTEST:

Those of you who took the Trading Genius II Workshop have a bonus - another workshop day in October and a trading contest.

The contest started on April 27 and out of 22 entries so far, the unofficial leader is up 130.91%. The unofficial leader entered the contest prior to April 27 all in on one crypto with no reason for the entry and no exit – he was going to hold until the end of the contest. Before the contest officially started, the crypto fell 50% and he dropped out of the contest. I still thought he had a good chance to win so I entered his position unofficially for fun.

One person went all in with RWM (inverse ETF) at the beginning of the contest and was stopped out with a loss of minus 12.6%. I've told him he can enter again, but if he does we'll average his two entries to determine his standing. Another person entered a highly leveraged ETF for the S&P 500 but only with a 50% position. This player was behind the S&P 500 for a long time.

The top prize is \$2,500 in gifts.

If you watched Trading Genius II, I encourage you to submit your entry (it's not trading real money; its hypothetical trading) because you will learn a lot about yourself and your beliefs. RJ Hixson, Ken Long, and I are all participating.

Contest Top Five

Rank	Name	Current Amount
1	Jyoti	\$63,684.21
2	Van	\$57,408.97
3	Patrick	\$55,791.62
4	S&P 500	\$55,300.34
5	Rodny	\$54,482.45

Until August 15th, 2020, this is Van Tharp.

We value your feedback on this new format!

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