

Weekly market wrap: Mar. 2-8, 2022



\$1.75 bn (-2.56%)

total crypto market cap

42.02%

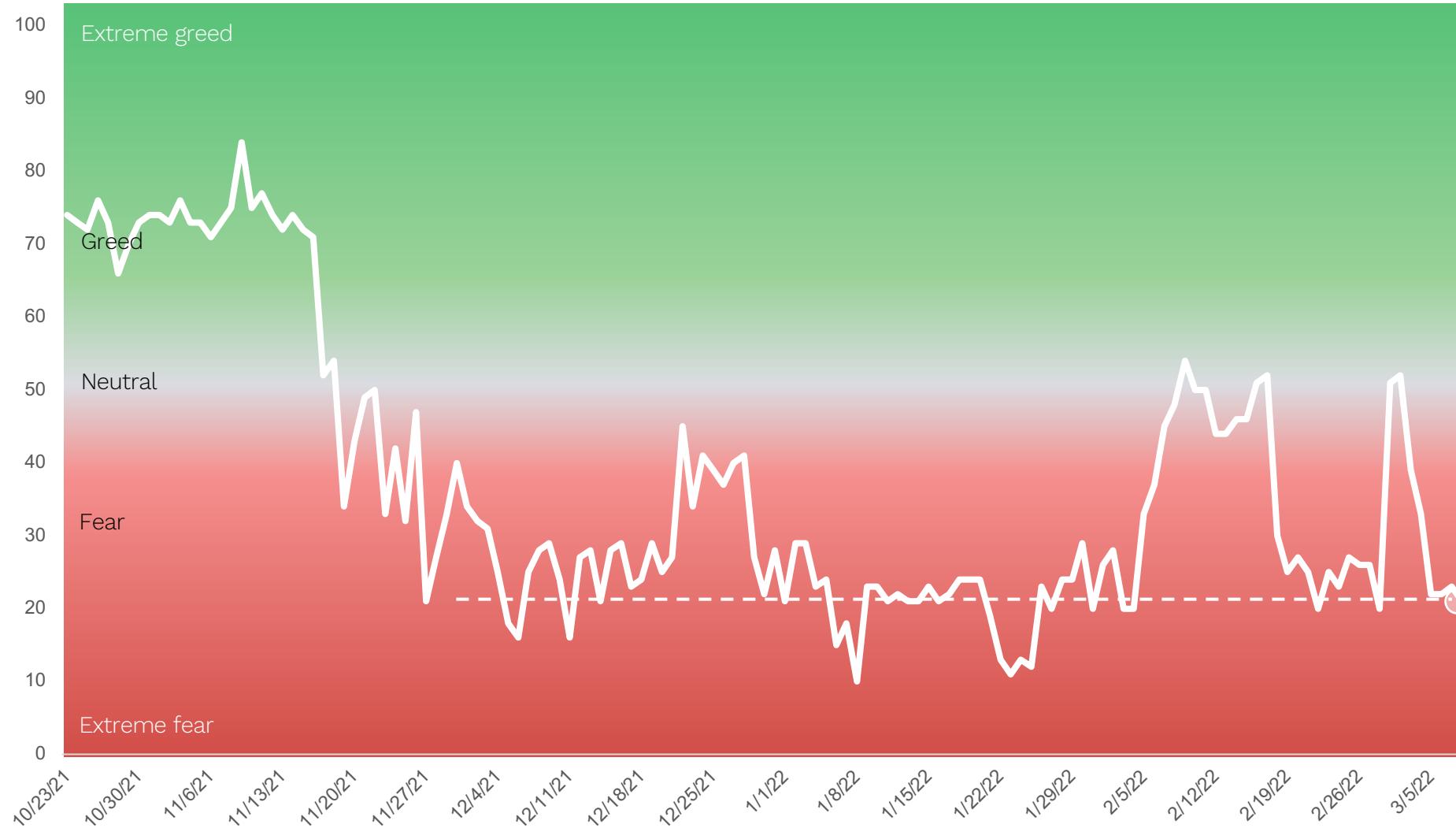
Bitcoin dominance

This week crypto markets have followed stocks and sunk showing double-digit declines in prices.

BTC is now trading in the \$38,000-\$40,000 range trying to keep that area as a resistance. Ethereum, on the other hand, has broken its resistance but did not plunge (dropping slightly more than Bitcoin). Russia-Ukraine conflict is still in focus.

Crypto Fear and Greed index bounces back to its lows

Crypto Fear and Greed Index: Oct. 23, 2021 – Mar. 8, 2022



Unpredictable environment

Crypto Fear and Greed index, after soaring to the neutral zone last week, has plunged back to its lows of 20.

Extreme volatility in the markets spurred by tense geopolitical situation and fueled by exploding prices on commodities and uncertainty on FED interest rate decision in March have put investors in the “observation” mode for the time being.

There is no huge trading volumes as investors are closely watching which direction will BTC finally break – north or south – and Crypto Fear and Greed index moves just support that notion.



Top gainers of the week: Mar. 2-8, 2022



Best performing, market cap > \$500 million

	Price	Last week	Last month
\$WAVES (Waves)	\$22.38	+37.7%	+123.8%
\$KNC (Kyber Crystal Network)	\$3.06	+25.7%	+24.9%
\$XMR (Monero)	\$192.38	+13.1%	+15.7%

EVM rally

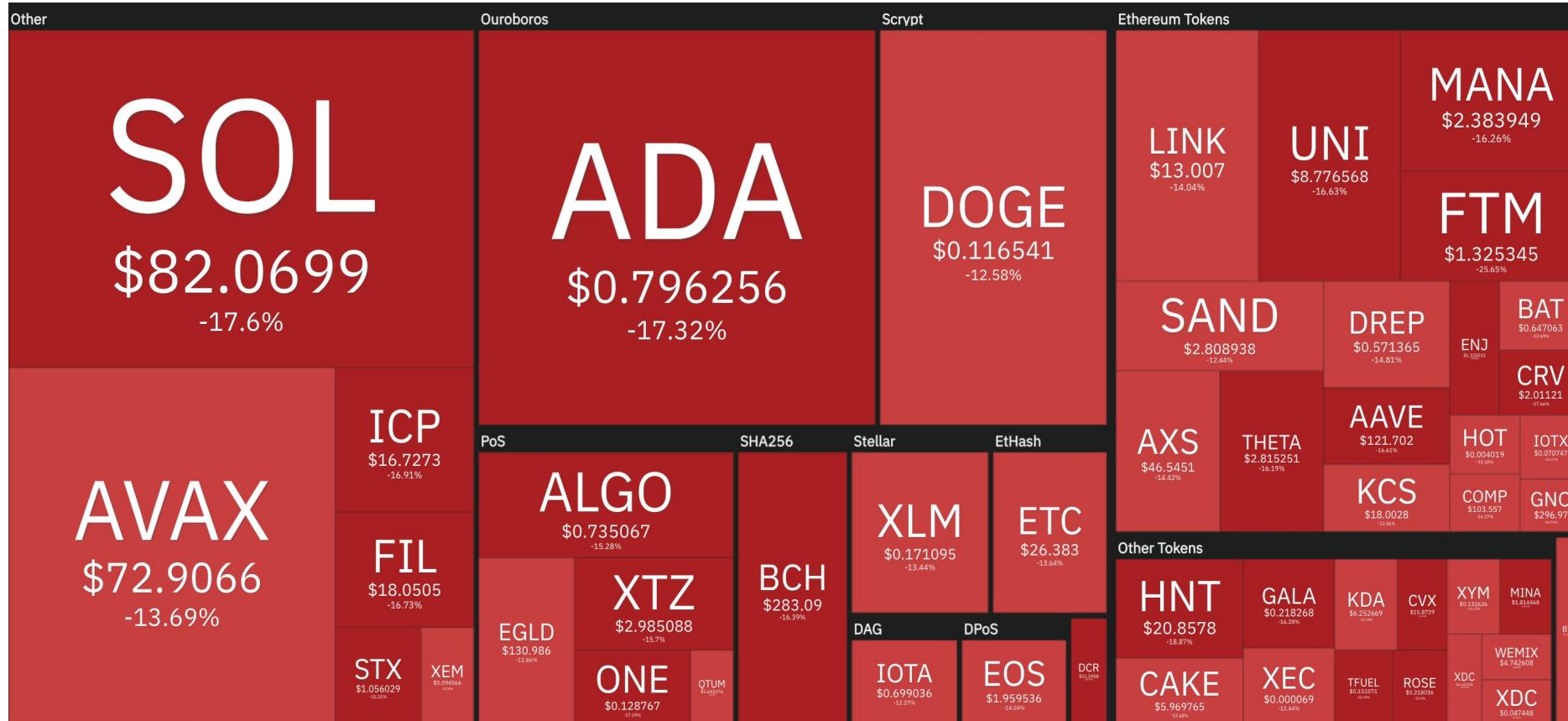
The market gave up last week's gains from Bitcoin's surge to \$45,000, but there are still gainers in the uncertain times.

Couple of tokens have shown positive returns last week. WAVES (+38%) rallied for the second consecutive week as the network upgrade to become Ethereum Virtual Machine (EVM)-compatible advanced. The new consensus mechanism will provide a transition to Waves 2.0.

Surprising moves were seen from DeFi tokens: KNC (+26%), RUNE (+1%), UMA (+8%). Layer-1's also brought positive news to its investors: XMR (+13%), AR (+1%).



Losers of the week: Mar. 2-8, 2022



Worst performing, market cap > \$500 million

	Price	Last week	Last month
\$SOL (Solana)	\$82.07	-17.6%	-27.9%
\$ADA (Cardano)	\$0.79	-17.3%	-29.2%
\$UNI (Uniswap)	\$8.78	-16.6%	-22.1%

Pump and dump

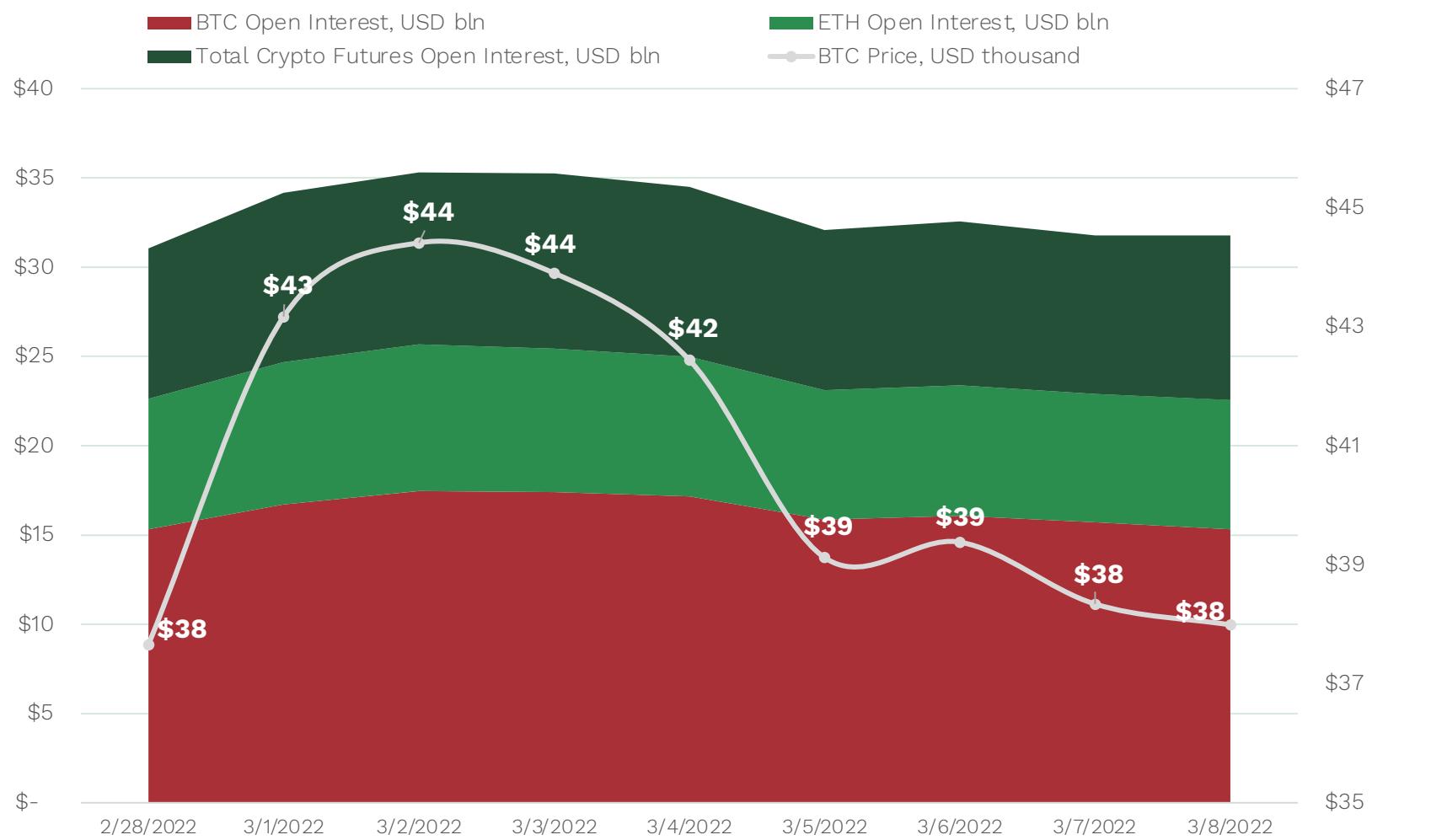
After recent BTC's rally towards \$45,000, major altcoins have jumped as well fading market participant's thoughts about potential price crash away.

This week brought the opposite feeling as altcoins were bleeding with double-digit declines. Large cap assets like ETH and LUNA suffered with the market, however, not in as harsh manner.

There are mixed feelings coming from retail traders' futures data, which shows a shift moving away from a slightly negative sentiment. Option traders, though, are pricing a higher risk of further crash

BTC holds the \$38,000 resistance despite traditional markets turmoil

Total Crypto Futures Open Interest: Feb. 28-Mar. 8, 2021



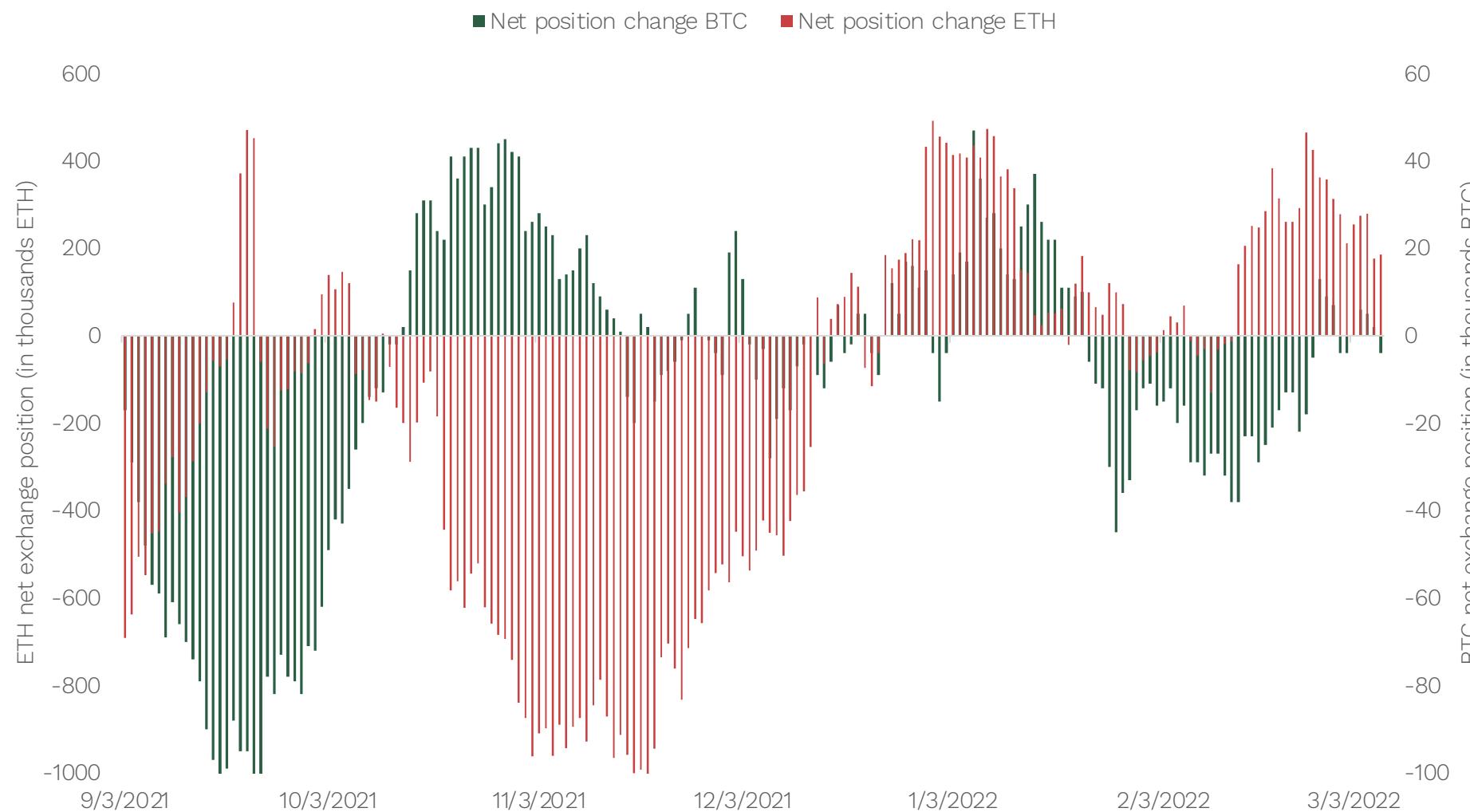
Signs of hope

Crypto futures market showed a slow retracement from its January lows with open interest rising to \$35 billion on the 3rd of March. That was a temporary event because it then dropped almost \$4 billion in the next couple of days.

Market participants are still bewildered to take any action as there is no clear sign of BTC going neither up nor down. Traders are anticipating digital gold moving lower from its January lows but this could change once there is relief in the Russia-Ukraine conflict.

BTC net exchange inflows have been negative since July 2021

BTC and ETH net exchange position change (in BTC and ETH): Sep.1, 2021 -Mar. 8, 2022



HODLers do not panic

Since July 2021, there have been more outflows, which totals to about 46,000 BTC (worth around \$1.8 billion at current prices), than inflows on most exchanges, suggesting sellers could be at the point of exhaustion.

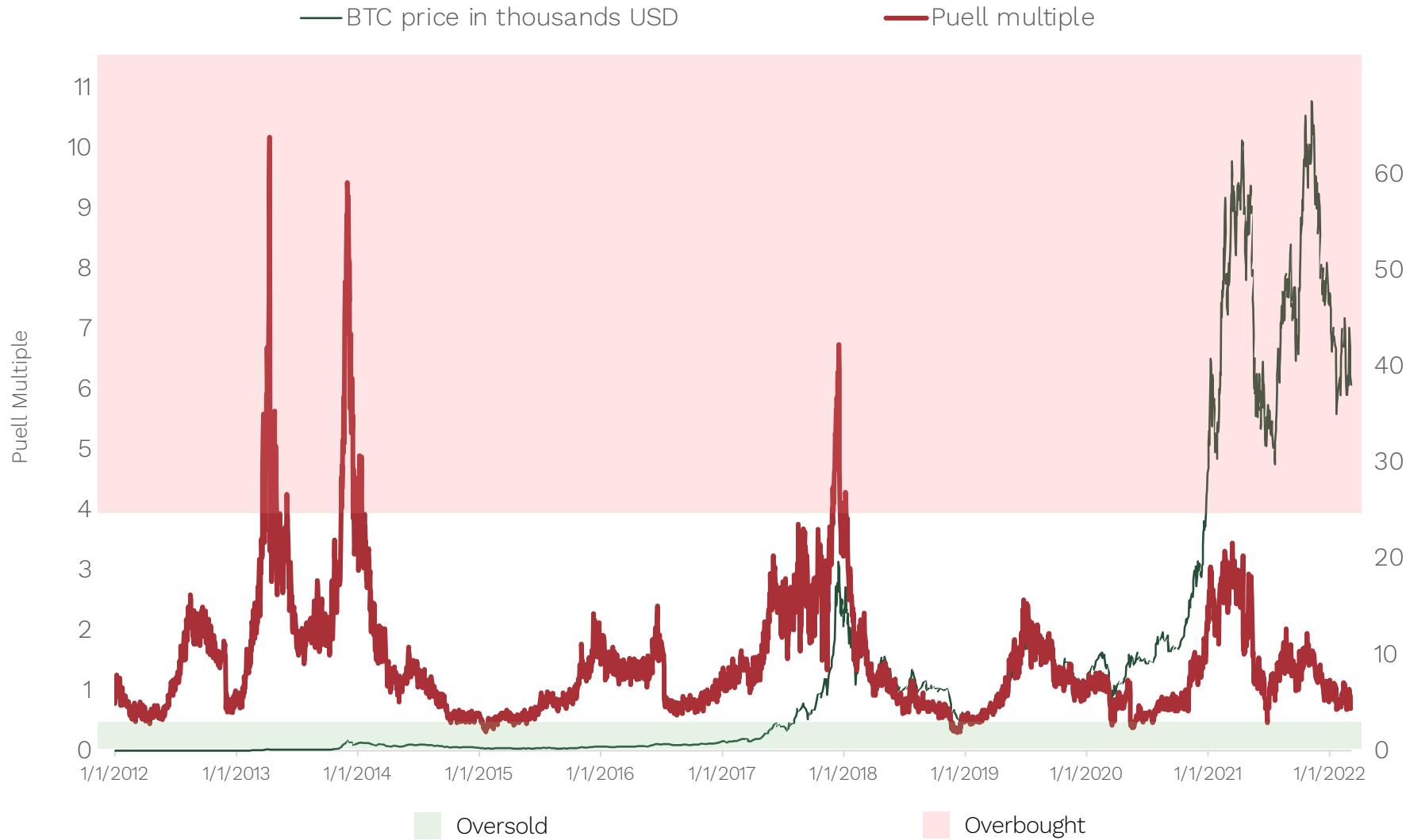
It could also indicate that the crypto trading market, in general, has shifted to derivatives trading over spot to hedge risk.

Such relatively low inflows can be attributed to the degree of uncertainty given the present circumstances.

Aside from this, the sellers' profit and loss (PnL) ratio has also demonstrably flattened since the beginning of 2021.

Puell multiple headed towards “oversold” zone signaling potential crypto rebound

Puell multiple: Jan. 1, 2012-Mar. 8, 2022



Extreme level of uncertainty

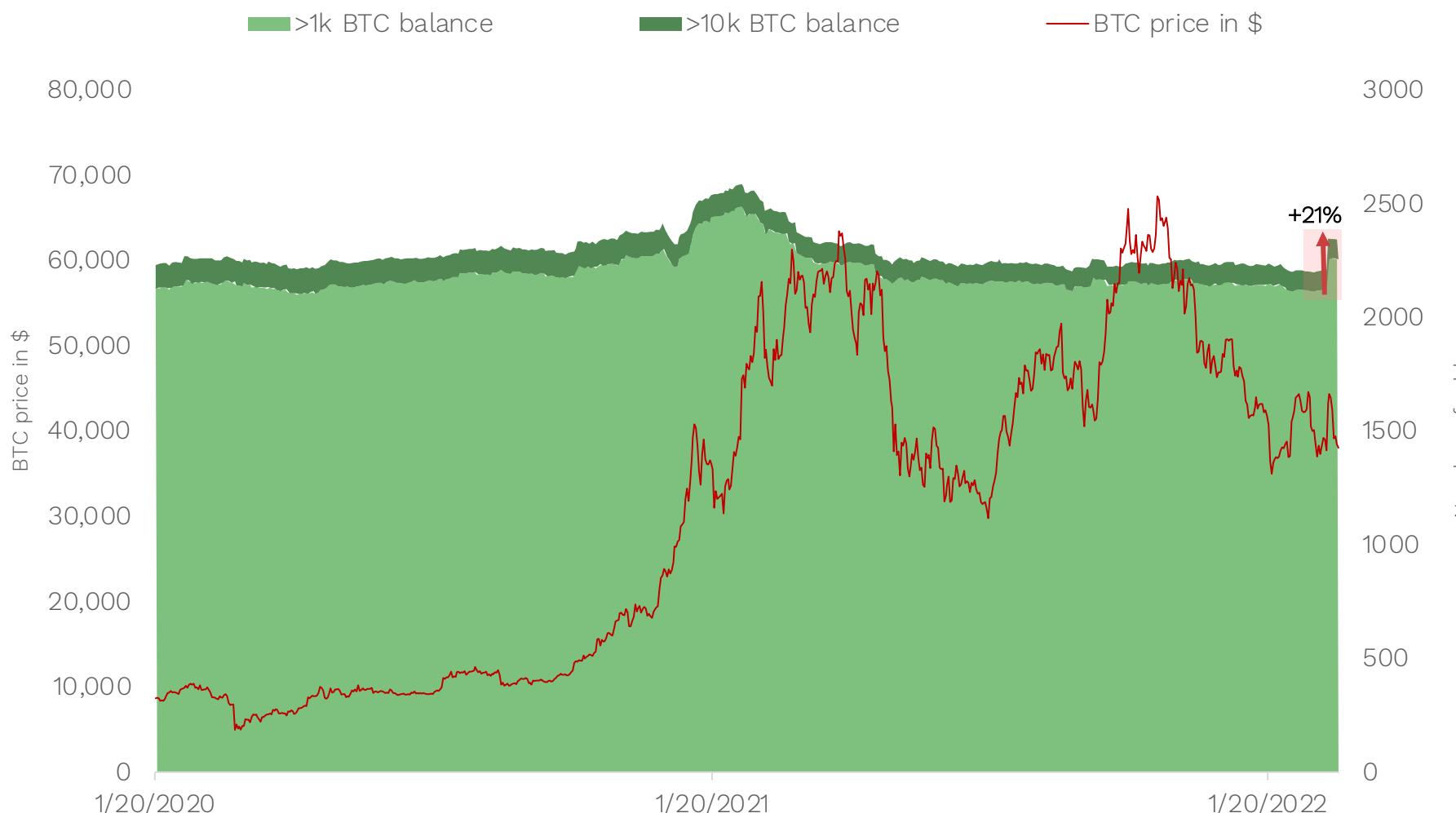
It's mostly a guessing game to accurately pick the crypto market's bottom. Indicators can only do so much.

However, one indicator that has had some success in reversal prediction in the past is the Puell multiple.

With the current tense geopolitical situation and increasing inflation expectation, market sentiment has been in the fear zone for quite some time, and volatility has kicked in – causing investors to think twice about buying new “dips.”

Whales increased balances at the beginning of Russia-Ukraine conflict

Number of BTC addresses with balances 1,000 BTC+: Jan. 20, 2020-Mar. 8, 2022



Whales place a large bet on Bitcoin

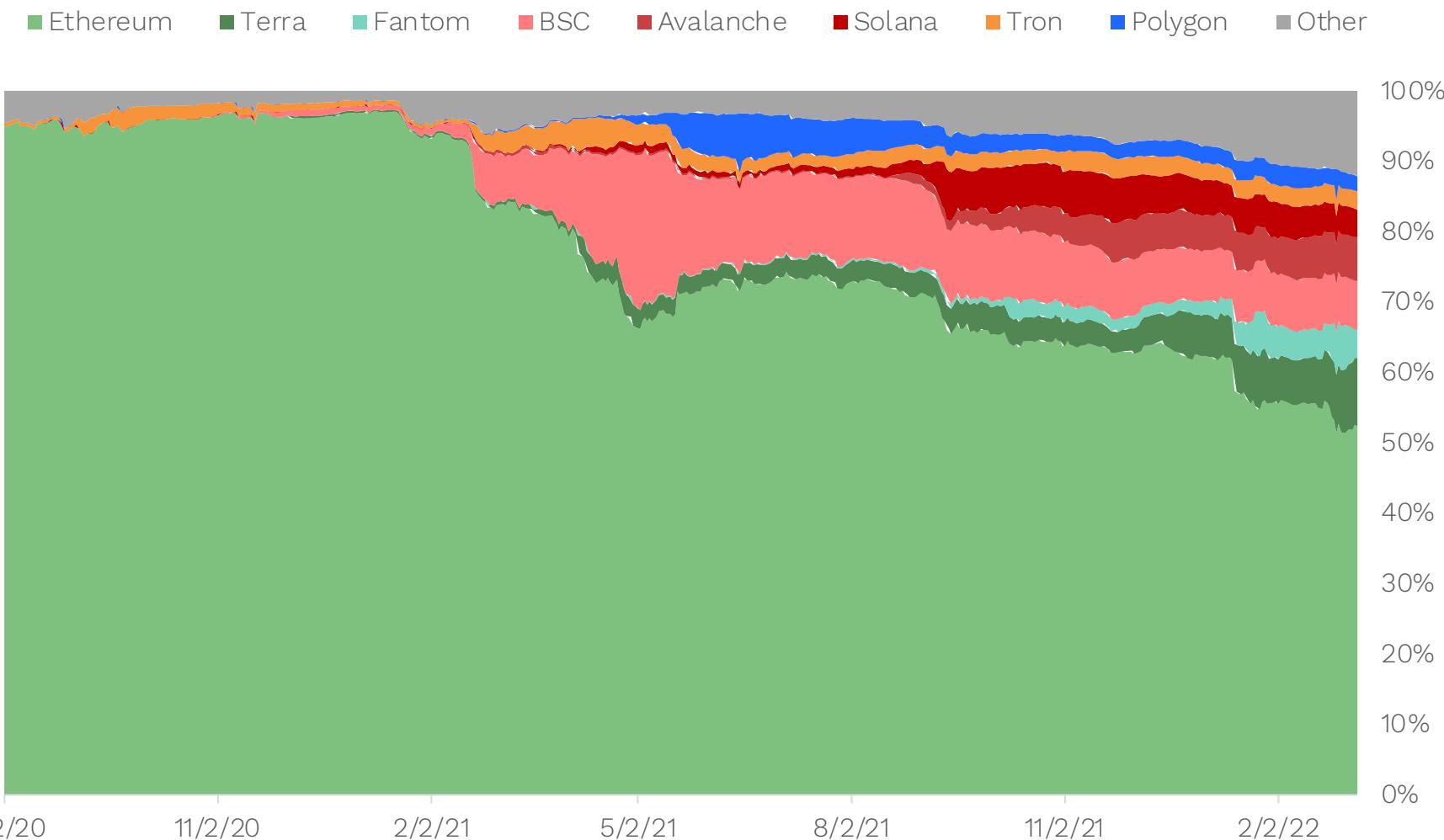
Data on whale addresses with more than 1,000 BTC in their balances reveals that large holders have accumulated more Bitcoins during the outset of the Russia-Ukraine conflict.

Further, the number of addresses holding more than 1,000 and 10,000 BTC has both increased by almost 20 in the past two weeks.

BTC holders remain hopeful despite the unsettling volatility and tumbling equity markets. However, this spike was most probably triggered by an inpouring of investors from Russia and Ukraine seeking a “safe haven” for their assets.

Ethereum loses dominance dropping to its all-time TVL share lows

Share of TVL by chain in % of total: Aug. 2, 2020-Mar. 8, 2022

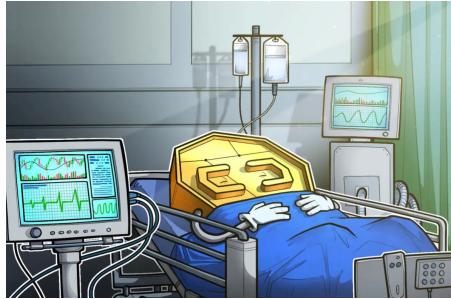


Bearish on Ethereum

Ethereum's total value locked (TVL) dominance dropped below 55% and hit all-time low levels as Terra and BSC have grabbed a larger share of the metric in recent months. Ethereum has gradually given up ground in DeFi market dominance to emerging, more efficient, and easily scaled chains like Terra, BSC, Fantom, and Solana.

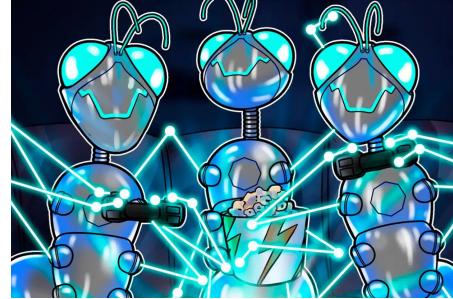
However, Ethereum still holds the most significant chunk of assets in decentralized finance. Most of the ETH these so-called "Ethereum-killers" have tumbled sharply this year. For instance, SOL and ADA have shed off more than 50% in value from year to date while ETH dropped only 30%.

News that make waves: Mar 1 - 8, 2022



[Russian crypto volume across major exchanges plunges by 50%](#)

- Data show that Russian denominated crypto purchasing and trading on major exchanges have faltered.
- Ruble-denominated crypto trading volume was just \$34.1 million on Thursday, around half of a recent peak of \$70.7 million a week ago on Feb. 24.
- Despite experts rejecting the idea that crypto could be used to help Russia skirt economic sanctions, regulatory scrutiny of digital assets still increases.



[Immutable raises \\$200M to invest in blockchain gaming, bringing valuation to \\$2.5B](#)

- Australian NFT platform Immutable announced a \$200 million Series C round led by Singaporean investment firm Temasek, Animoca Brands and Tencent.
- Additional investment from ParaFi Capital, Princeville Capital and Arrington Capital have raised Immutable's valuation to \$2.5 billion. T
- The company intends to put capital toward developing its Immutable X layer-2 scaling solution for nonfungible tokens (NFTs) on ETH and scaling Gaming Studio



[Binance to focus on crypto payments with new subsidiary Bifinity](#)

- Binance's new payment affiliate Bifinity will provide a \$36 million convertible loan to the Nasdaq-listed digital asset firm Eqonex.
- Bifinity supports more than 50 cryptocurrencies, including major coins like Bitcoin (BTC) and Ether (ETH), as well as popular payment platforms like Visa, Mastercard and others
- Bifinity allows merchants to provide crypto services to customers via offering buy-and-sell crypto services and API crypto payments integrations.



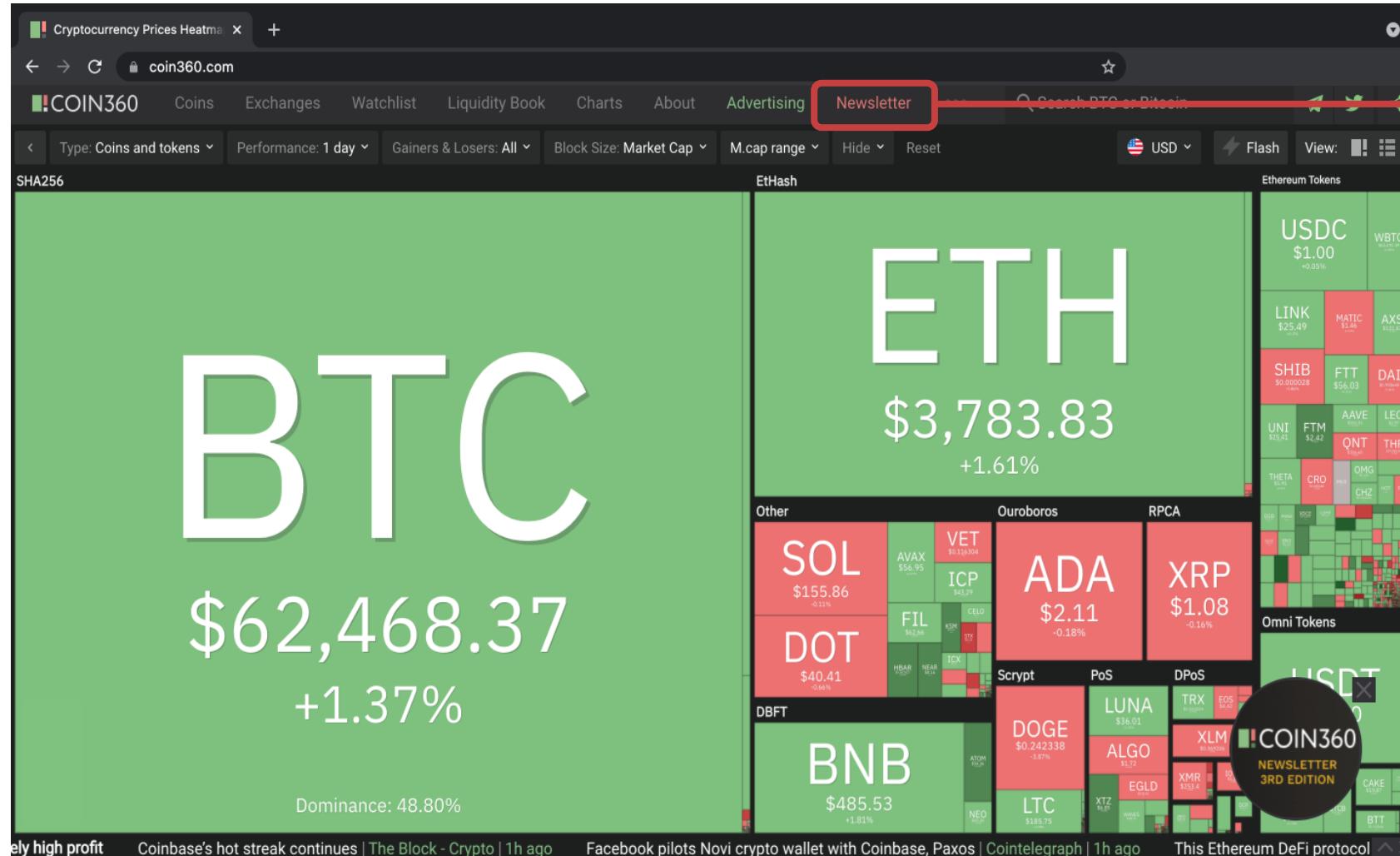
[FTX expands to Europe with CySEC approval](#)

- FTX is expanding to Europe after receiving approval from the Cyprus Securities and Exchange Commission (CySEC)
- The new venture, called FTX Europe (headquartered in Switzerland), would offer leading products of the company to the European clients via a licensed investment firm across the European economic area.
- The exchange aims to maintain interactions with regulators in various countries across Europe to build a safe and secure ecosystem to trade crypto.



[Bain Capital Ventures sets up half a billion-dollar fund for crypto projects](#)

- Bain Capital Ventures, one of the world's largest startup-investment firms with \$5.1 billion in assets under management, has announced the formation of a new \$560 million fund that will focus on crypto-related investments.
- Bain Capital Ventures has invested in the crypto and blockchain sector, having previously backed companies such as BlockFi, Compound, and Digital Currency Group. The most recent fund BCV Fund I is the first from Bain Capital Ventures, focusing solely on the crypto market.

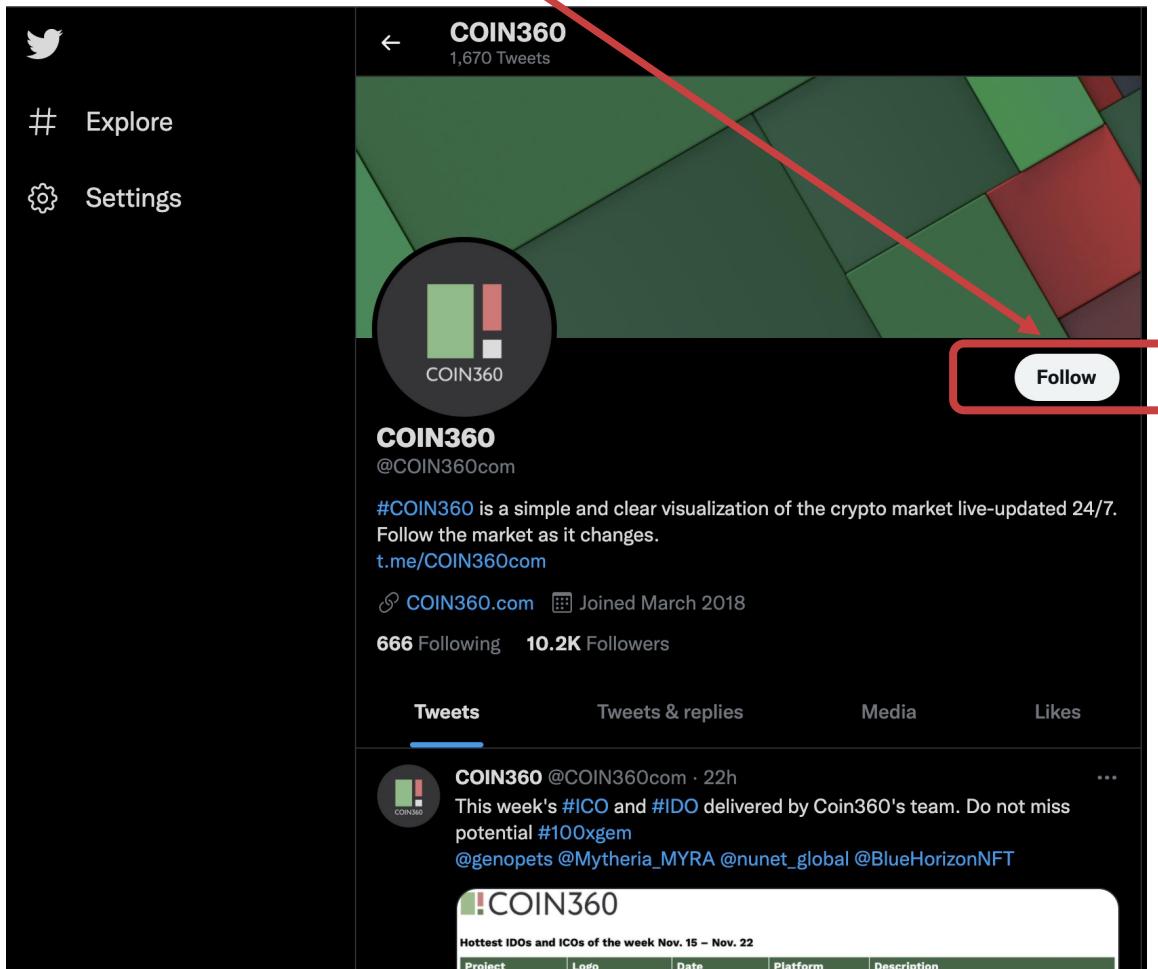


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