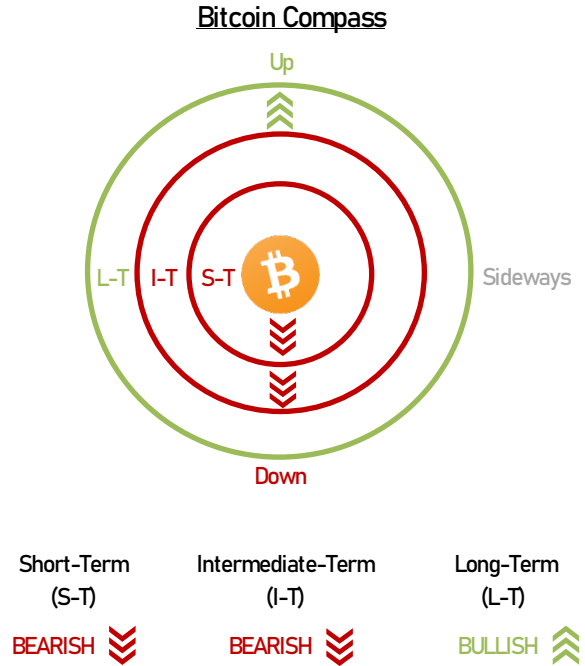


Cryptocurrency Compass

December 6, 2021

Bitcoin ₿

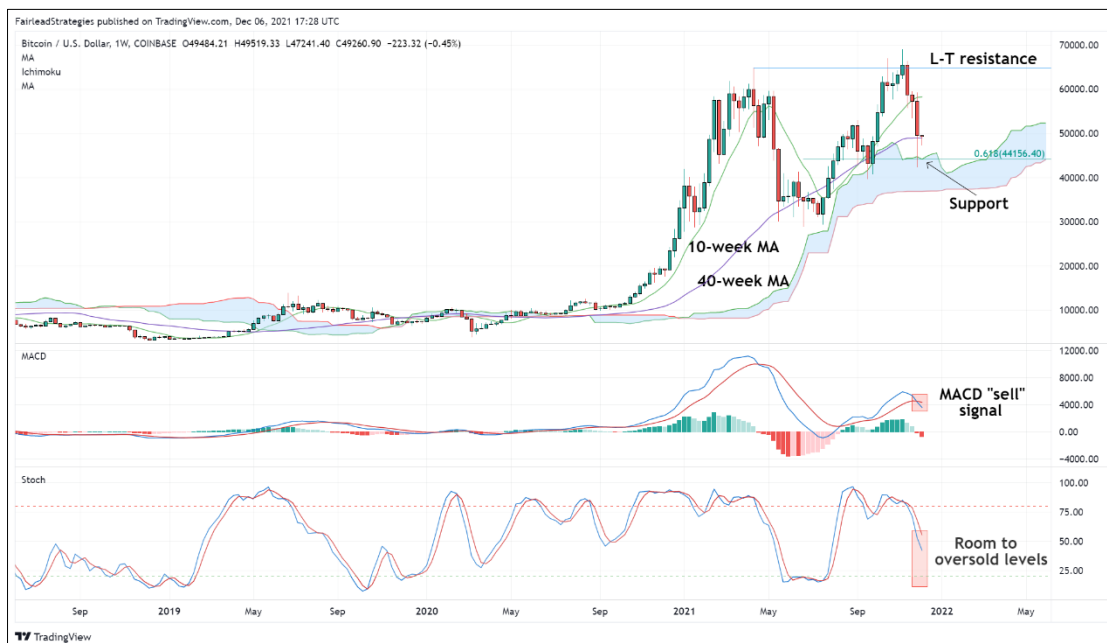
- § Bitcoin has confirmed a breakdown below support near \$52.9K following a surprisingly strong pullback over the weekend. Next support is defined by a 61.8% Fibonacci retracement level, bolstered by the weekly cloud, near \$44.2K.
- § The non-reaction to short-term oversold conditions last week suggests that any bounce may be fleeting. Resistance is gauged by the daily cloud near \$55.0K.
- § The decline reflects a loss of intermediate-term momentum that serves as an impetus to reduce exposure to bitcoin and cryptocurrencies broadly.
- § The weekly MACD is on a "sell" signal for the first time since April, increasing risk into year end, noting there's room to intermediate-term oversold territory.
- § Our long-term trend-following gauges still support a long-term bullish bias beyond the intermediate-term, but we will reevaluate at the end of the month.



Last Price (₿): \$49,260.90

Support: ~\$44.2K

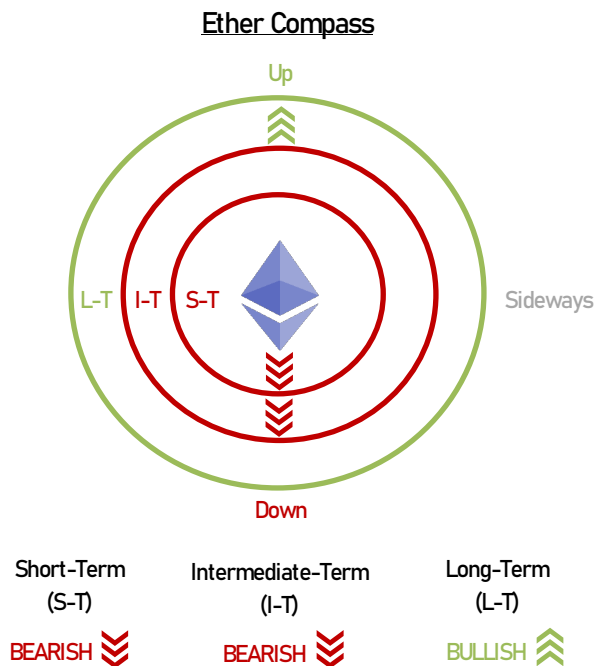
Resistance: ~\$55.0K



{ Weekly Candlestick Chart + 10- & 40-week MAs + Cloud Model + MACD Indicator/Histogram + Stochastic Oscillator }

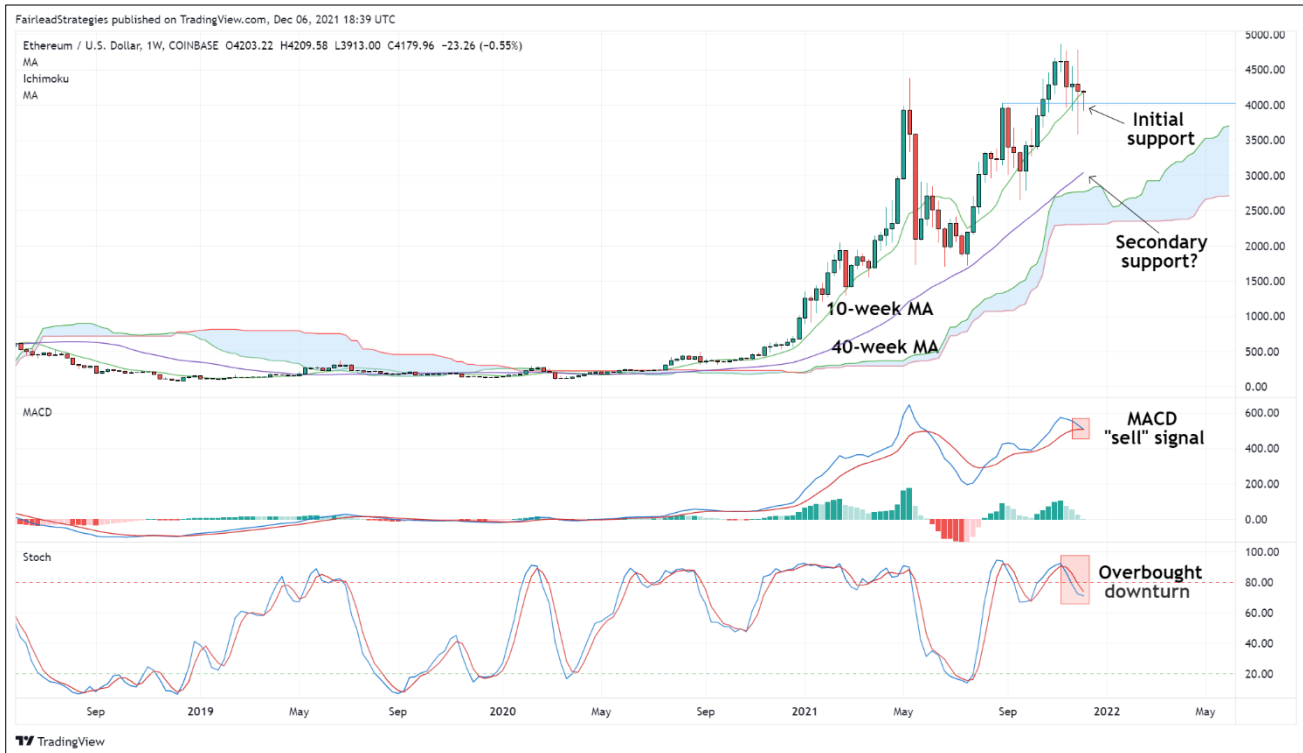
Ether Ξ

- ⌘ Ether is testing initial support, and we are anticipating a breakdown given its strong (90%+) correlation to bitcoin, dictating a more bearish stance.
- ⌘ Current support near \$4000 would become resistance upon a breakdown, based in part on the daily cloud (not shown).
- ⌘ Like bitcoin, Ether has a new weekly MACD "sell" signal that increases risk of a deeper correction, which means it may be prudent to reduce exposure.
- ⌘ If a breakdown occurs, downside risk would increase to the 200-day (~40-week) MA, which is the next point of reference on the downside, albeit not necessarily a major support level.
- ⌘ Ether's long-term uptrend has not been impacted by its pullback. Long-term momentum is still to the upside, and the weekly cloud model rises over time.



Last Price (Ξ): \$4,179.96

Support: ~\$4027 Resistance: N/A



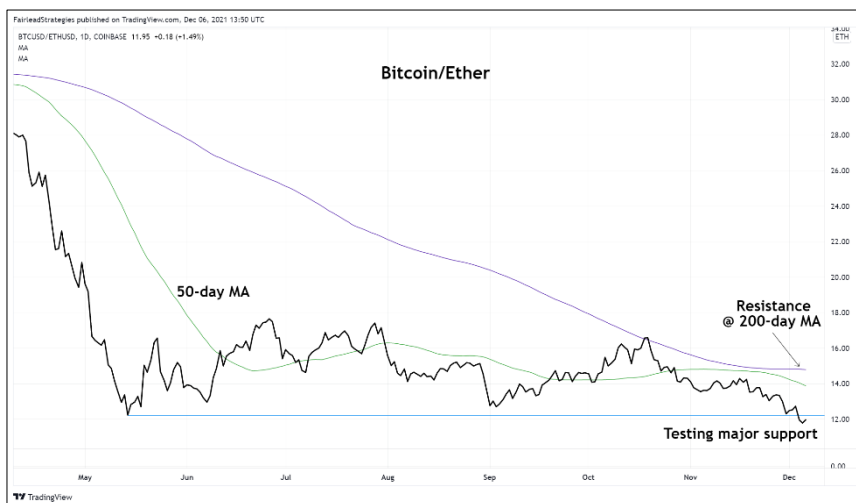
{ Weekly Candlestick Chart + 10- & 40-week MAs + Cloud Model + MACD Indicator/Histogram + Stochastic Oscillator }



Cryptocurrency Relative Strength

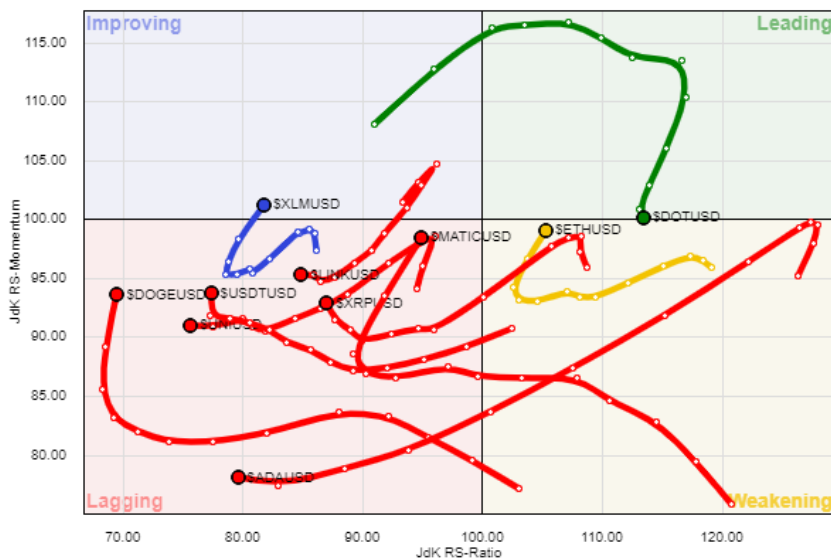
§ The ratio of bitcoin to Ether is testing major support from the May low, and a decisive breakdown would support additional underperformance by bitcoin relative to Ether

§ Ether's outperformance of late is unusual in a risk-off environment, but it could be due to its more decisive breakout to new highs, combined with macro and fundamental influences.



12-week & 10-day Relative Rotation Graphs (RRG®) vs. Bitcoin

(Click charts for animation)



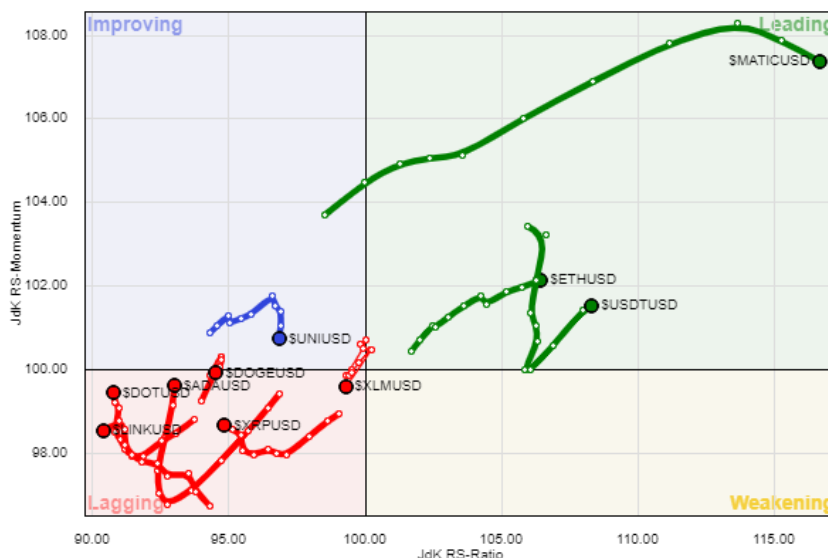
§ We use RRGs to evaluate cyclicity among the top ten cryptocurrencies by market cap according to CoinDesk (minus USDC), normalized vs. bitcoin.

§ Laggards like Stellar and Dogecoin have gained momentum against bitcoin, but their progress may slow from a short-term perspective looking at the 10-day RRG.

§ The broad pullback has most higher beta altcoins lagging, with break-downs (in absolute terms) seeing immediate downside follow through in every top-ten altcoin aside from Ether and Polygon.

Relative Strength vs. Bitcoin (S-T / I-T):

- Cardano (ADAUSD) ▶ ▼
- Chainlink (LINKUSD) ▼ ▼
- Dogecoin (DOGEUSD) ▶ ▶
- Ether (ETHUSD) ▲ ▲
- Polkadot (DOTUSD) ▶ ▶
- Polygon (MATICUSD) ▲ ▶
- Ripple (XRPUSD) ▼ ▶
- Stellar (XLMUSD) ▶ ▲
- Tether (USDTUSD) ▲ ▼
- Uniswap (UNIUSD) ▶ ▼



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