

# The Bridge

## “Currency Wars & Cryptos IV”

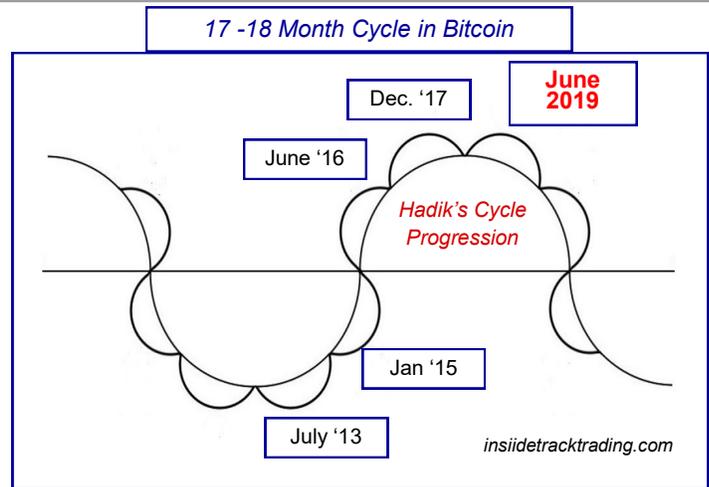
### 90/10 Rule & Late-June Cycles

**06-21-19** - The latest bout of currency wars is underway with the Dollar validating analysis for an ‘a-b-c’ correction from **late-May** into (at least) **early-July**. It was projected to set a secondary peak on June 18 and then enter the more damaging ‘c’ wave decline (opening a positive window of opportunity for Gold, similar to Feb. 14 - 20, 2019).

Corroborating that, Gold is fulfilling the latest phase of its 2019 outlook - that called for another surge from 3 - 6 month support (~**1270.0/GC**) and weekly cycles (April '19) into **June/July '19** - when a multi-month peak has been projected. The ideal time for that peak is **late-June/early-July**, although shorter-term cycles and corresponding price action will filter.

In May, the XAU honed part of that forecast, bottoming along with daily, weekly & monthly cycle lows (May 22) and projecting a surge into **June 24 - 28**. In sync with the *90/10 Rule of Cycles* (sharpest price gains are often seen in final days or weeks of a cycle), the XAU reinforced that parallel to Feb. 14 - 20, since **June 18/19** into **June 24 - 28** is a similar period - the final days of an intermediate up cycle.

The Euro provided more fuel to the *Currency War* as it bottomed on **June 18** (a secondary, ‘b’ wave low that was forecast to take hold on **June 18** and spur a sharper advance), in line with multiple cycles, its daily *21 MAC* and its daily trend pattern.



The action of June 18 fulfilled multiple secondary cycle lows (currencies, metals, etc.) and secondary cycle highs (Dollar) - ushering in a decisive and potential accelerated phase of these trends. As those markets were completing brief corrections, another was breaking out and reinforcing its outlook from mid-March into **late-June/early-July...**

### Bitcoin's Culminating Ascent?

On June 6, 2019, Bitcoin completed its latest pull-back - bottoming precisely at its ascending daily *21 Low MAC* and weekly *HLS* (extreme downside target) while only neutralizing its daily uptrend. It also perpetuated a 20 - 22 day low (April 4) - low (April

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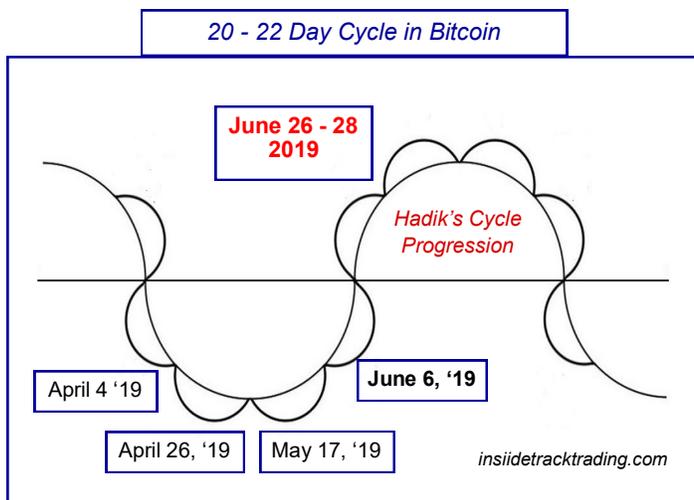
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26) - low (May 17) - low (**June 6**) Cycle Progression.

That *Cycle Progression* portends a likely inversion with Bitcoin projected to rally for 20 - 22 days from the June 6 low. That pinpoints **June 26 - 28** as the likely time for the next 1 - 2 week (or longer) peak. However, when considered in light of various other cycles that have projected rallies into **late-June '19**, it has the potential to time a more significant peak.

Bitcoin declined for an entire year, dropping for 52 weeks from mid-Dec. '17 into mid-Dec. '18. As of this week (**June 17 - 24, '19**), it has rallied for 26 weeks - a 50% rebound in time (and a 180-degree move in time from that Dec. '18 bottom).

When Bitcoin was triggering a more convincing round of buy signals in mid-March (following initial buy signals in early-Feb.), it was already focused on the potential for a surge into **June/July 2019** - similar to what has been forecast for Gold in 2019. The March 18, 2019 *Currency Wars & Cryptos II* elaborated on this projection for a 6 - 7 month advance (from mid-Dec. '18) and stated:

**3-18-19** - "It would now take a weekly close above **4115/BTC** to turn the intra-year trend up. If/when

that occurs, it would project an overall rally into **June/July 2019**. That is noteworthy since Bitcoin has a 17 - 18 month low (July '13) - low (Jan. '15) - high (June '16) - high (Dec. '17) - high (**June 2019**) Cycle Progression portending the same thing.

A rally into **June 2019** would also complete a 50% rebound in time - rallying for 6 months from its Dec. 2018 low after declining for the preceding 12 months, from the Dec. 2017 peak."

From a timing perspective, that remains the case and is now being fulfilled. From a wave structure perspective, Bitcoin is providing additional clues...

### Bitcoin's Wave Structure & LLHs

Its latest pullback - to ~**7,500** in late-May/early-June - exhibited characteristics of a 4th wave decline prior to a 5th wave advance.

The ensuing 5th wave rally is underway and has a pair of *LLH* targets (objectives derived from a pair of ascending lows and projecting a subsequent advance that is equal to the magnitude of the difference between those lows) near **10,000** and **11,700/BTC**.

A rally to ~**11,000** would also provide a textbook wave comparison with the 5th wave (since the **7,500** low) equaling .618 times the extended 3rd wave (from ~**3,350** - ~**9,065**). The May 10, 2019 *Currency Wars & Cryptos III* summed up the outlook for May & June in this way (setting the stage for now):

**5-10-19** - *The bottom line is that Bitcoin is entering another opportune period when it is already building upside momentum... just as the Dollar is validating signs of a top and reversal lower.*

*Bitcoin is attacking its 1 - 2 month upside target (6,000 - 6,200) and needs to break above that to turn focus to a larger-magnitude objective - its 3 - 6 month target at 8,400 - 8,500/BTC.*

*Depending on if, when, and how that level is tested, Bitcoin could ultimately make it back up to*

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~11,500 - 11,800/BTC - what should be the most formidable resistance on a 6 - 12 month basis...

From a timing basis, the cycles and timing indicators described since late-2018 remain in force. Bitcoin is still expected to see an overall rally into **June/July 2019**, at which point a multi-month peak would become far more likely.

Among other things, that would perpetuate a 17 - 18 month low (July '13) - low (Jan. '15) - high (June '16) - high (Dec. '17) - high (**May/June 2019**) Cycle Progression.

A rally into **June 2019** would also complete a 50% rebound in time - rallying for 6 months from its Dec. 2018 low after declining for the preceding 12 months, from the Dec. 2017 peak.

If it lasts into **July 2019**, it would represent a .618 rebound in time.

Traders could have entered additional/new long positions in mid-March around **3,900** and be holding these w/avg. open gains of about \$2,400/Bitcoin or about \$12,000/Bitcoin futures contract. Risk/exit these on a weekly close below **4,800/BTC.**”

Bitcoin has fulfilled most of what was forecast then (as well as in Dec. '18 & March '19), breaking above **8,500** and reinforcing projections for an overall surge that could reach ~**11,500**, leading into **late-June/early-July**.

With the Dollar expected to sell-off from June 18 into **July 2/3**, and Gold signaling an accelerated rally from June 18 into **June 24 - 28**, the time is right - and ripe - for a blow-off rally in Bitcoin that could peak as soon as next week.

Traders can be holding long positions from mid-March (entered around **3,900**) w/avg. open gains of about \$6,000/Bitcoin or about \$30,000/Bitcoin futures contract. Risk/exit these on a daily close below **8,400/BTC.**

In the interim, if given the chance, exit (take profits on) 1/3 of these positions when Bitcoin hits **10,450** and another 1/3 if/when Bitcoin hits **11,350**.

More to follow...



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