

The Bridge

“Currency Wars & Cryptos V”

Late-June Cycle High Fulfilled

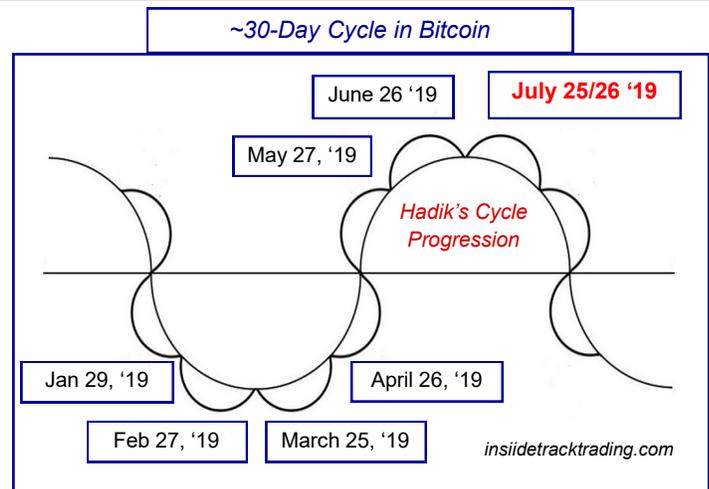
07-15-19 - Bitcoin surged into **June 26**, in perfect sync with daily cycles described in the previous update and in line with monthly cycles described since late-2018. It also rebounded 50% (in time) of its Dec. '17 - Dec. '18 decline. As described in June:

*“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 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...*

*With the Dollar expected to sell-off from June 18... 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.”*

That **June 26** peak sets the stage for a subsequent (potentially lower) high in **late-July**, based on a recurring ~30-degree (30-day/1-month) cycle illustrated in the accompanying diagram. The recent **July 10**



secondary peak could create that next high as early as **July 24** (14-day high-high-high Cycle Progression) but price action would need to hone that. More importantly, the **June 26** peak fulfilled ongoing cycles, discussed in early-2019 and again in the March 18, 2019 *Currency Wars & Cryptos II*:

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.*

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*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.”*

Price and Time

It was not just *timing* factors that made this latest surge, and resulting peak, so significant. In setting this recent peak, Bitcoin also attacked (and exceeded) its 6 - 9 month upside *price* target from the Dec. '18 bottom (**11,500 - 11,800**) while nearing its extreme upside target for **June 2019**.

It peaked a day after Gold surged to its initial 1 - 2 year upside target (from its Aug. '18 bottom) - at **1445.0/GC** - fulfilling multi-month upside objectives in two anti-Dollar vehicles. That was also the time at which the Dollar completed its initial sell-off - the driver of Bitcoin's (and Gold's) June rallies.

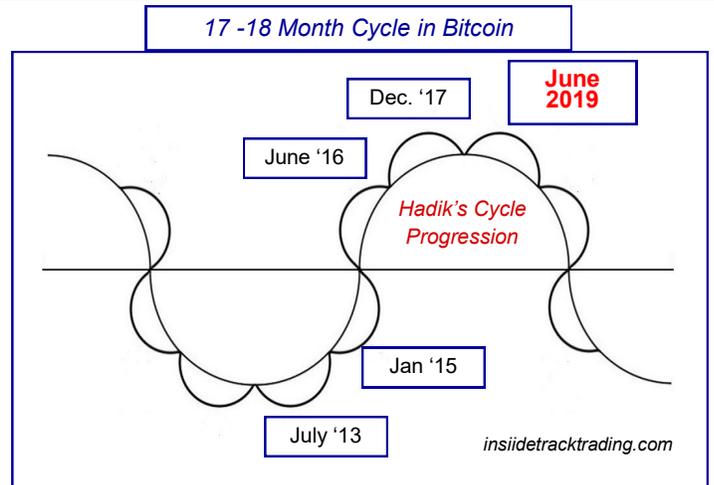
Bitcoin's Wave Structure

As explained in June, Bitcoin's late-May/early-June pullback to **~7,500** exhibited characteristics of a 4th wave decline prior to a 5th wave advance. That confirmed that another (culminating) surge was underway while also identifying the most pivotal level of *future* support, *after* a 5th wave peak was signaled.

Bitcoin quickly fulfilled that. It's spike above **13,200** had it creating the most bullish wave comparison in which the 5th wave (since the **7,500** low) slightly exceeded the already-extended 3rd wave (from **~3,350 - ~9.065**)... making them both extended waves - a rare but significant wave structure.

It also had Bitcoin attacking its monthly *LHR* (extreme upside objective for **June 2019**) - showing another sign of a market reaching an *extreme* on several levels. The attainment of all these *extreme* upside objectives reinforced what had been reiterated in the May 10, 2019 *Currency Wars & Cryptos III*:

5-10-19 - *“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...*

*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..”*

Bitcoin's Future Outlook

So what now?

Bitcoin has entered a multi-week corrective phase that could take it back to **~8,450** - the most decisive level of resistance on the way up... and the level of multiple previous highs (*resistance turned into support*). In **early-August**, the ascending weekly 21 *High MAC* should also be near that support (currently at **~7,550** and rising about 400 points per week).

The weekly trend neutral point is also close to **8,450**, so that is pivotal support for the prevailing weekly uptrend. (The most bullish scenario would have it pull back and bottom near there before resuming its uptrend. A more normal scenario would involve successive weekly closes below there - neutralizing the weekly uptrend - before bottoming.)

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Looking out over the rest of 2019, monthly & yearly cycles increase the potential for the next multi-month peak to take hold in **Nov./Dec. '19** - the latest phase of a ~2-year high (Nov. '13) - high (Nov. '15) - high (Dec. '17) - high (**Nov./Dec. '19**) *Cycle Progression*.

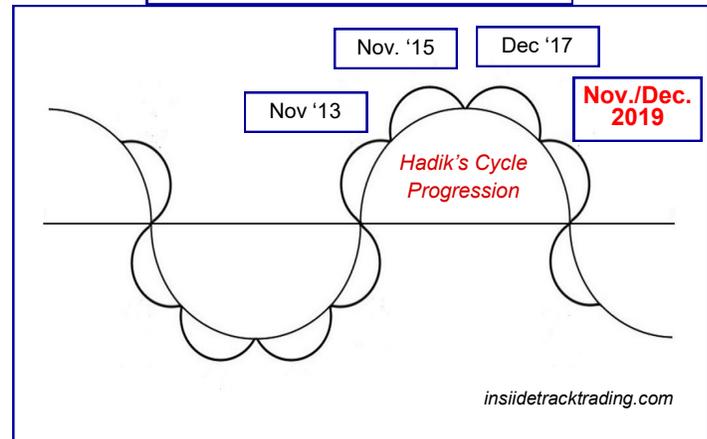
If the late-June peak holds through **July** (and potentially longer), a peak in **Dec. '19** would also fulfill a 6-month low (Jun. '18) - low (Dec. '18) - high (Jun. '19) - high (**Dec. '19**) *Cycle Progression*.

One other cycle should also be monitored closely. It is a 37-week low (July '17) - low (Apr. '18) - low (Dec. '18) - low (**Aug. 26 - 30, '19**) *Cycle Progression* that could time the next multi-month low and potentially the onset of a 3 - 4 month advance into **late-'19**.

Traders can be holding 1/3 of long positions from mid-March (entered around **3,900**) w/avg. open gains of about \$6,900/Bitcoin or about \$34,500/Bitcoin futures contract. Risk/exit these on a daily close below **9,700/BTC**.

1/3 should have been exited near **10,450** - w/avg. gains of about \$6,500/Bitcoin or about \$32,500/Bitcoin futures contract - and another 1/3 when

23 -24 Month/~2-Year Cycle in Bitcoin



Bitcoin hit **11,350**, w/avg. gains of about \$7,400/Bitcoin or about \$37,000/Bitcoin futures contract.

Traders can re-enter long positions when Bitcoin is trading at 8,550 down to 7,500 and risk/exit on a weekly close below 7,500. *More to follow...*



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