



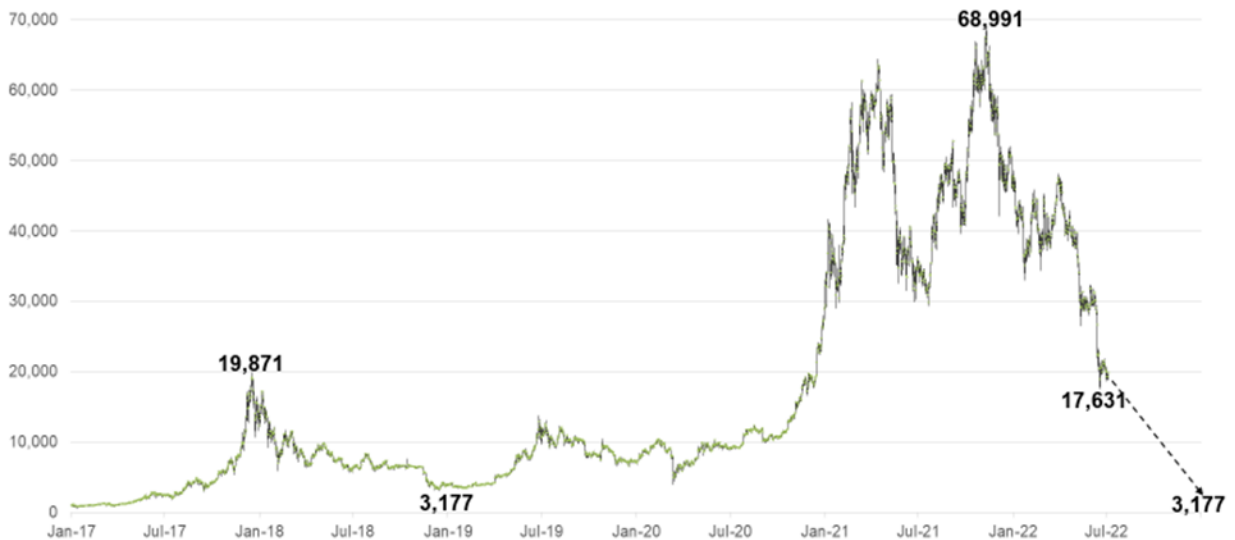
Harry's Take

July 5, 2022

The Crypto Bubble Has Burst, Which Means That the Whole Bubble Is Over!

Stocks currently are breaking to levels that cement a long-term top in the second tech bubble that peaked on November 22, 2021, for the Nasdaq. The S&P 500 followed on January 4, 2022. But the lead bubble in this global and greatest “everything bubble” in history has been the cryptocurrencies, led by Bitcoin, much like the dot-coms, which were led by Amazon in the first tech bubble that peaked in early 2000.

Bitcoin Bubble Clearly Burst at \$17,631; Downside \$3,177, or 95.4%



Source: Investing.com

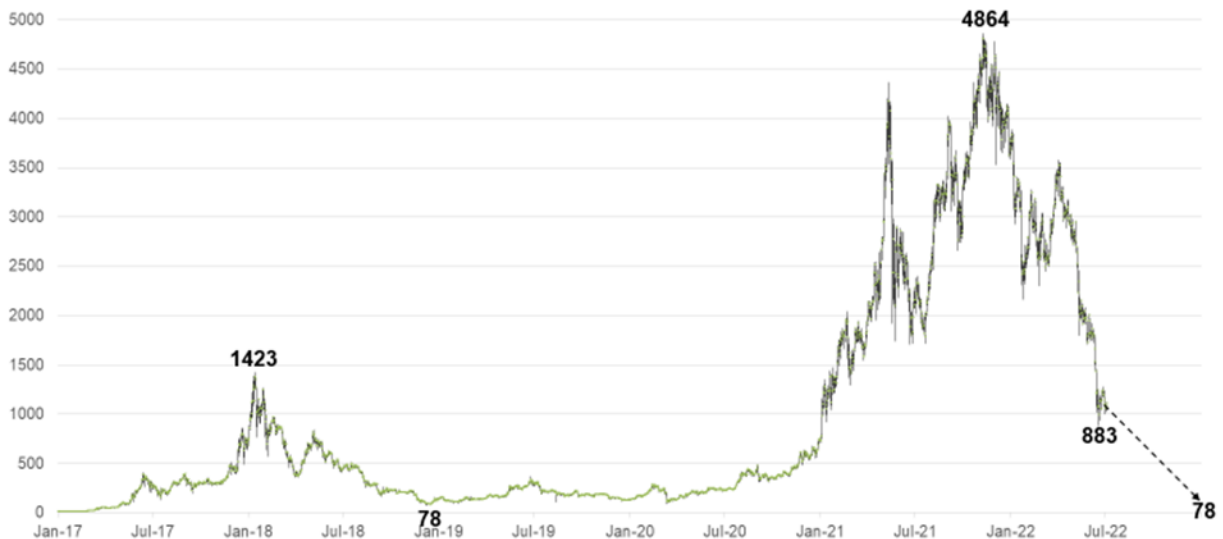
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The crash in Bitcoin already went to -74.4% recently, when it hit \$17,631. I have been targeting the 2018 crash low of \$3,177 that happened after the last dramatic peak in late 2017, or around \$3,200. That would have been the fourth-wave low before the fifth-wave peak of \$68,991 in November 2021. There was a first-wave top in late 2013 and a second-wave crash into late 2014.

A crash back to those levels would be a 95.4% crash, and the fourth-wave previous low is the natural target. That's the same as the 96% crash in Amazon in the first dot-com tech bust. So, this would not be so unusual when you look at the size of the bubble, and bubbles always go back to where they started. Amazon was \$6 in 1998, zoomed in 2 years to \$136, or 23X, and then went right back down to \$6 in late 2001. Best-case scenario for Bitcoin could be the 2019 low around \$4,300. There is also support around \$9,000-\$10,000, but I do not think that will hold.

And Ethereum even looks worse, if you can imagine that.

Ethereum Even Worse, Down to \$883, With Downside to \$78, or -98.4%



Source: Investing.com

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I always figured Ethereum might hold up a bit better than Bitcoin, since it actually has more applications in the real world. Bitcoin's greatest hope is to become a standard for global digital currencies. But, no. Ethereum recently fell to \$883, or 82.0%, and looks destined to end up down by as much as 98.4% if it goes back down to its late 2018 low like Bitcoin. That would be a target of around \$78 from its late 2021 high of \$4,892.

The greater the bubble, the greater the burst. Cryptocurrencies are the lead bubble this time and now already have confirmed the end of this second and final technology bubble... and all you have to do to see how big this crash could be is simply to look at the nearly identical bubbles in the dot-coms and Amazon into early 2000.

Many experts are telling people to buy Bitcoin at \$18,000–\$20,000 here... not even close, from my view. Patience will pay off here—and mark my words, the experts really will be telling people that Bitcoin and crypto were a giant hoax by then. That's when you should be buying the next big thing: after its extreme “baby bubble” burst and before its “big daddy” boom.

You can be sure that I will continue to follow this lead bubble ahead.

Harry

Got a question or comment? You can contact us at info@hsdent.com.