

# Investments - Flash



M. Alain Freymond - Partner &amp; CIO

## BITCOIN WILL NOT REPLACE GOLD

### New disappointments for crypto-currencies

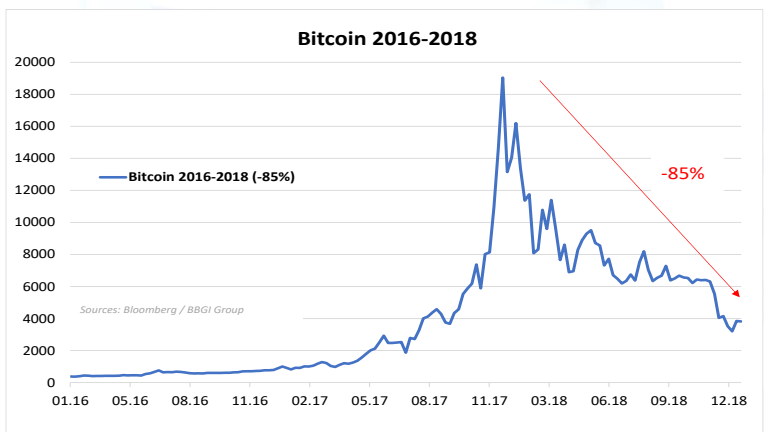
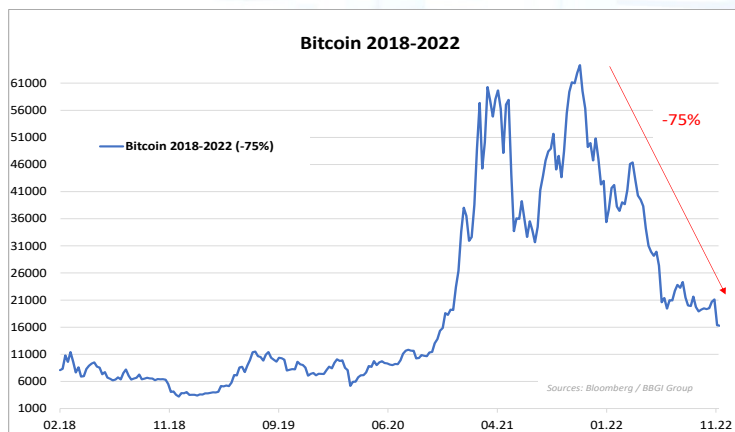
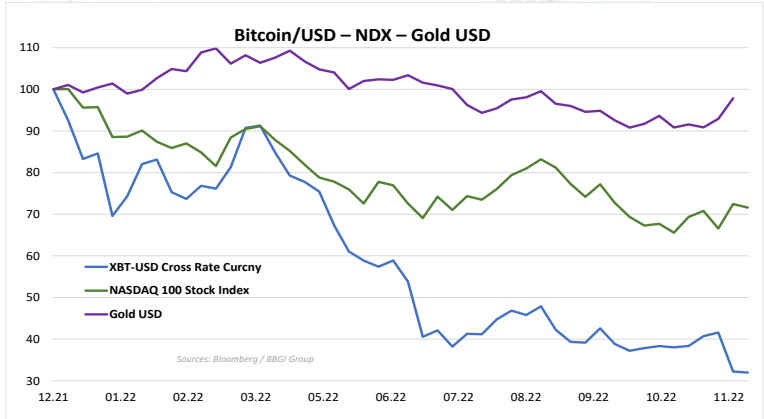
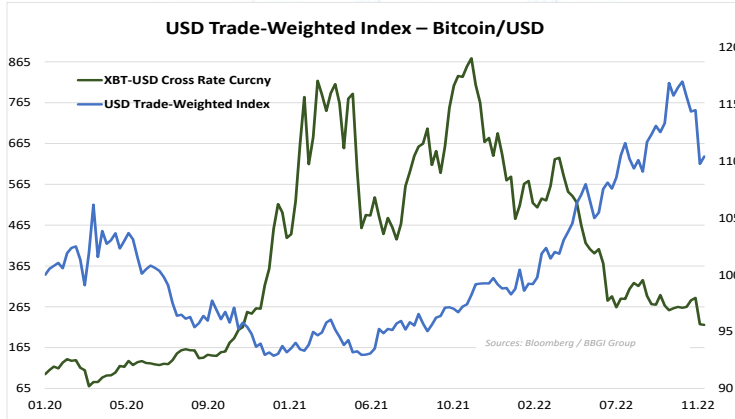
The latest episode of the FTX bankruptcy may not have a direct impact on Bitcoin, if one believes the information that there was no Bitcoin on FTX's balance sheet, implying no forced liquidation. Nevertheless, it will undoubtedly raise awareness among some of the fragility of the structures linked to crypto-currencies, of which the definition should rather be crypto-assets.

Without wanting to exaggerate the indirect effects, it is likely that this episode still contributes to alter the already particularly damaged confidence of investors for these speculative crypto-assets.

Bitcoin's -25% drop in the first few days of November is a clear indication of a loss of confidence among investors who were hoping for a rebound, after the last four months of stabilization above 18'000 USD.

The lack of positive reactions after the fall of the dollar, while enthusiasm was returning and relaunching a perhaps temporary risk on sequence in the financial markets, is a rather worrying factor for the community of investors tempted by the adventure of crypto-assets, while the Nasdaq and gold jumped by about +10%.

In 2018, Bitcoin had fallen by -85%. The asset still has the potential to fall by nearly 6'500 USD, if an identical pattern were to materialize before perhaps finding new players willing to take a chance.



Important information: This document is confidential and intended exclusively for its recipient and may not be transmitted or reproduced, even partially, without the express written consent of BBGI Group. It is provided for information purposes only and does not constitute an offer or solicitation to buy, sell or subscribe. BBGI Group cannot be held responsible for any decisions taken on the basis of the information provided. The figures are based on quantitative and judgmental analysis. The client remains fully responsible for the management decisions made in relation to this document. We endeavour to use information that is deemed reliable and cannot be held responsible for its accuracy and completeness. The opinions and all information provided are subject to change without notice. The data mentioned is indicative only and is subject to change without notice in the light of changing market conditions. Past performance and simulations are not indicative of future results.