

Twitter Thread by Alex



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\$BTC views

Price needs to let volatility wear off before its next big move. Thinking 30K-40K range for the next 1-2 weeks. Then either 50K straight or after piercing 30K and bouncing back above 30K within 1-2 days.

My \$BTC short-term view after long deliberation and some flip flopping is rangebound in 30K-40K until the curve and vols come off a further. Then, 50K. I wouldn't be surprised if 30K is briefly breached but the risk is to the upside. Those calling for 20K missing the big picture.

— Alex (@classicmacro) [January 12, 2021](#)

\$27500-\$27000 is the key area. If price heads back down to 30K, expect 30K to be breached, fall to that area, and bounce back. FAST. All very fast.

What do I do with this information?

Simple.

I'm trading the range against a core position. Buying when price pushes lower, selling when higher. It's like playing the achordeon. There's always air left inside.

Where exactly?

Nowhere.

I don't use limits for that. \$BTC is liquid enough to trade at market without issues.

I'm watching PA, volume and rates for buying and euphoria as reflected in rates for reducing.

Decision making is dynamic. Nothing is set in stone. But most likely if price heads back down to 30K 'll be holding off next time. The gameplan is to have ammo to buy the dip (to redeploy). If 30K breaks absolutely no buying until down to 27Ks or back above 30K.

Important to recognize this is the first real range price gets stuck into since October. There is a top now. Even though I remain very bullish, now for the first time since April I'm slightly concerned about the magnitude of *short-term* downside.

Also important to internalize that most of the big move is behind us in percentage terms.

On the macro side think dollar strength is a short-term blip, largely caused by positioning, and will be over in a matter of weeks. There are other variables at play. That's for another thread.

The Fed is the key. The next FOMC is Jan/29.

I'm confident about price moving higher later on.

I'm fully expecting the large stream of positive headlines to resurface (e.g. Paypal treasury).

Real money wants in, and it will get in.

Corporates want in as well, inspired by Microstrategy. And retail is pouring in.

TL;DR

Range within 30K-40K. Vol comes down. Then either briefly down to 27K to then blast off to 50K, or straight to 50K.

If for whatever reason \$BTC falls to 27K, expect alts to get obliterated with 35%-50% intraday pullbacks. So in that scenario, buying alts will be better than buying \$BTC. Definitely better buying alts there than buying \$BTC on leverage. Identify the winners, and jump in.