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UPDATED VERSION

THE BULL MARKET CRYPTO Guide

HOW TO PREPARE FOR AND NAVIGATE THE NEXT BULL MARKET

GIRLS THAT CRYPTO

NOT FINANCIAL ADVICE

INTRODUCTION

If you want to understand how to navigate the cryptocurrency markets in the run-up to the next bull market, and when and how to take profits from cryptocurrency, this guide is for you. Please note, this is not financial advice!

Before I start, let me first say that no one can predict what is going to happen with cryptocurrency markets. Even the 'experts' in the space are speculating based on past price history, an analysis of what's happening in the space at the moment and what's to come in the macro environments.

So what are some of the factors causing the price to surge and could lead to us hitting new all-time-highs in the crypto markets?

Bitcoin ETFs

In the past month, the crypto markets have rallied and a major factor for this surge is because there have been 13 applications for

Bitcoin ETFs from various financial institutes and there's a high speculation that some, if not all will be approved in Q1 of 2024.

A bitcoin ETF is an investment fund, which allows people to in Bitcoin without actually owning the Bitcoin. This is great for people who are used to traditional investing in stocks and index funds and want to benefit from the price increases of bitcoin without the technicality of buying it and holding it. Huge investment firms like BlackRock will be able to directly offer bitcoin investment to their millions of clients, following the approvals. The Bitcoin ETF will make cryptocurrency accessible for many many more, and it is anticipated that a big surge of money will enter the space due to this.

The Bitcoin Halving

The Bitcoin halving is coming up in April 2024. Every four years, there is a Bitcoin halving, which means that the amount of

Bitcoin paid out to the miners who mine the Bitcoin is decreased by half which in turn, lowers the available amount of new supply of Bitcoin.

Nearly 89% of the total 21 million Bitcoin that can ever exist have already been mined and are currently in circulation - that's over 19 million Bitcoin. As Bitcoin halvings continue, the rate of new Bitcoin supply will gradually decrease until all 21 million BTC have been mined. The final fraction of Bitcoin is expected to be mined by the year 2140 and it will occur after mining the 840,000th block since the last halving. Since new Bitcoin are mined approximately every 10 minutes, the next halving is projected to occur around April 2024, reducing the mining reward for each block to 3.125 BTC.

There have been three Bitcoin halvings since Bitcoin's inception and after each one, the markets have increased. Take a look at this table:

Bitcoin halving history

	New BTC per block before halving	New BTC per block after halving	Price on Halving day	Price 150 days later
2012 Halving	50 BTC	25 BTC	$12.35	$127.00
2016 Halving	25 BTC	12.5 BTC	$650.53	$758.81
2020 Halving	12.5 BTC	6.25 BTC	$8821.42	$10,943.00

cointelegraph.com

Again, this cannot be a prediction of future behaviour but could be an indication of what's to come.

Falling interest rates

Analysts expect that next year, in 2024, the FED will stop raising interest rates and may possibly lower them. This generally means that there's a much higher appetite for risk, as greater returns can be made from safer government assets.

The economy has an effect on the crypto markets just like it affects all other markets.

So what does all this mean for crypto?

These are three big factors that will potentially cause the crypto markets to continue to rally, however, we cannot be sure of the exact timings on when we can expect Bitcoin to surge past its last all-time-highs.

There are many opinions on where the price is headed. Some believe that we are already on the way to seeing a new Bitcoin all-time-high, and rather than past Bitcoin halving history when the price rallies after the halving, this time we will see the market bull prior to the halving and hit a peak in April 2024 of between $70,000-$90,000, when the halving occurs.

This could then be followed by a mid-cycle bear market before we bull again, reaching a final top of around $120k- $130k by late 2025.

Even if this does happen, it won't be smooth sailing all the way up - it never is - and there will be drawbacks and opportunities to top up during dips.

If we look at the past three Bitcoin halvings, the peaks did indeed all occur in Q4 of the final year;

2013 - Q4
2017 - Q4
2021 - Q4

Could it be the same for the next Bitcoin halving? Only time will tell! All the above could play out, or it may be completely different!

One thing that I can be certain of, a new Bitcoin all-time-high is inevitable and there is still time to position yourself correctly to make the most of it.

Follow the rules in this guide to help you prepare and make the most of this opportunity. Remember this is not financial advice. Please do your own research and remember that crypto is a risky asset.

DON'T INVEST IN TOO MANY DIFFERENT COINS

If you invest in too many coins, and you don't put enough capital into it, those coins, the amount of profit that you make will be minimal.

The average person only has a limited amount of capital. if this applies to you, pick between 5 to 7 coins that you believe in and accumulate as many of those as you can.

The mistake, that many people new to cryptocurrency make, is they get excited when the bull market kicks off, and want to invest in every single coin they see and hear about.

Many times, without doing any research, simply going by the word of others, who may not know what they're talking about, and

may not have researched it either, or by listening to an influencer who may have been paid to shill that project.
Choosing the right coins to invest in is the most important thing because that's going to determine if you make any profit or not. Some coins may do really well in a bull market, but in a bear market they fall apart.

KEEP IT SIMPLE AND DOLLAR COST AVERAGE

Dollar cost averaging is proven to be one of the best strategies for both newbies and those more experienced in cryptocurrency markets. It simply means to buy the same amount of crypto at the same time every week, month or whatever timeframe works for you - no matter what the price of the coin is.

It’s so simple that most people don’t do it. Dollar cost averaging removes the emotional attachment that comes with trying to time the market and buy it when it’s at its lowest - something that is incredibly hard to do.

Consistently purchasing coins at regular intervals is the most effective way of building up your position most effectively.

Alongside dollar cost averaging, it makes sense to keep a portion of your capital aside, so that you can top up when there are dips in the market and the prices fall back. On some crypto exchanges, such as Crypto.com and Luno you can set up re-occurring buys where you can choose what cryptocurrency you want to buy, how much you want to spend and the frequency, then you connect your bank and it will automatically buy these cryptocurrencies without you having to lift a finger.

This is one of the best ways to just accumulate cryptocurrency and it takes no time other than setting it up. You can set up a recurring buy for as little as £5.

If you are one of those people who doesn't want to get too heavy into cryptocurrency, but you don't want to miss out on the potential rewards, set up a re-occurring buy for Bitcoin and Ethereum for £5 every single week and just forget about it. Remember, I'm not a financial advisor and this is not financial advice but in five years I'm pretty sure you'll be happy with the results.

Probably a lot sooner, but I like to play it very very safe and under promise - anything sooner than that is a bonus!
Check out these examples of three coins from the 2021 bull market;
As you can see simply dollar cost, averaging, your investments overtime, would have been extreme, very profitable and straightforward.

Bitcoin example

If you had been purchasing £200 worth of Bitcoin every month starting from January 2020, by the peak of the bull market in November 2021, you would have invested £4600 in Bitcoin, which would then be worth £18,019.99.

Polygon Matic example

If you had been purchasing £200 worth of Polygon (MATIC) every month starting from January 2020, by the peak of the bull market in December 2021, you would have invested £4800 in Polygon, which would then be worth £319,580.16.

Ethereum example

If you had been purchasing £200 worth of Ethereum every month starting from January 2020, by the peak of the bull market in December 2021, you would have invested £4800 in Ethereum, which would then be worth £49,116.39.

Now of course, the prices and timings are different and you may be investing in different coins but the point is DCA is a a great strategy to build up a portfolio over time effortlessly.

PLAN YOUR PROFIT-TAKING

If you fail to plan you plan to fail. My biggest mistake in the 2021 bull market was not taking out enough profit - I know many can relate. I learnt the hard way that the profits that you do not cash out, is profit that you lose. When you're in the midst of a bull market, emotions can get clouded and your greed can take over, making you hesitant to sell your cryptocurrency in anticipation of more potential gain. This can screw you over big time.

This is why it's important to have a plan and know exactly when you are going to take profit and at what price.

By setting a profit strategy, before the market occurs, you can create a plan of exactly how much profit you are going to take, and at what price points, rather than playing it by emotion.

Your individual profit-taking strategy will completely depend on your overall investment goals. Some people are diehard Hodlrs who are holding on for decades without taking profit.

I personally think it makes financial sense to take some profit and then to either use that profit for whatever you need to or reinvest it when the bear market hits. I keep a portion of my crypto holdings locked away and that, I don’t sell or touch at all. Think of that like my crypto pension.

To further illustrate why I think you should take profits:

If you had cashed out Ethereum at its peak in November 2021 (approx £4,000) and repurchased at the bottom of the bear market in 2022 (approx £700), you could have significantly increased your Ethereum holdings and bought 5 for the same amount of money as one previously cost.

Deciding what to do with your profits—whether it's splurging on luxury items or reinvesting to grow your position—is entirely up to you.

HOW TO TAKE PROFITS

To take profit, means to sell some of your crypto holdings. Seems obvious to some but many people new to the space don’t know this!

There are many different strategies to take profit, here's an easy one you can adopt or tailor to suit your risk tolerance. It’s bascially dollar-cost-averaging out at any intervals which suit you.

Let’s use Ethereum as an example;
When the price of Ethereum reaches the last all-time-high, you sell 10% of your holdings.

When it increases by 20% or $200, you sell another 5% or 10%.

And so on..

Now, you need to consider that during the last bull market, from November 2020 to November 20211, Ethereum did a 10x. Could it do a 10x again? Who knows but you should factor that into your profit taking, as if you take too much out too soon, you can stand to lose out on potential profits.

You may want to increase the intervals that you take profit to every $250 or $500 increase. The amount of profit you take and at what incremental increase, is up to you! There is no one way to approach this.
The key thing to remember is to be ready to take your profits! When you sell you can sell it for a stable coin such as USDT or USDC or sell it for fiat currency.

TAKE YOUR SECURITY SERIOUSLY

It is essential that you take security seriously in the crypto space because there are people who make it their full-time jobs to hack into people's cryptocurrency accounts and take their crypto.

As well as hackers, there was always the potential as well for the exchange that you are investing with to go bust, taking your crypto along with it. In 2022, this happened to one of the biggest crypto exchanges called FTX and every investor who had their money in that platform has lost it all.

Centralised exchanges, such as Coinbase,.com, Kraken, KuCoin, Luna, etc, are good for beginners to cryptocurrency and people who are actively trading their crypto, but if you have larger amounts, then it is best that you keep that in cold storage.

Cold storage refers to a type of storage which is not connected to the Internet. An example is Ledger, with Ledger you will have a small device that looks like a USB stick and a back up which will allow you to have full control over your cryptocurrency. Ensure you buy your cold storage from the official website - don’t use Amazon as these could be preloaded with malware.

MetaMask is another common cryptocurrency storage as well, although it is hot storage, meaning that it is connected to the Internet. When you are using different DeFi protocols, you may use MetaMask to connect and transact on them. You may also use MetaMask to store your crypto. Wallets like MetaMask, also also have their risks when it comes to hackers. There are many scams which hackers use, including impersonating, famous brands, or creating dummy websites of the real thing, to trick you into connecting your wallet to the hackers, which allows them to drain your accounts of your crypto.

Because of this, it's important, you do not connect your wallet with any protocol unless you are fully sure you know what it is.
These are some of the safety procedures which I'd recommend you do before you start investing:

- Choose a strong password, the longer means the more difficult it is to hack into. Use a different password for each cryptocurrency exchange.

- Use a different email address for each different crypto exchange you use just in case your email is compromised, it will limit the amount of access the hacker has.

- Don't keep your passwords in the notes section of your phone or anywhere obvious that can be hacked into or easily found by anybody.

- Use a two-factor authenticator app such as Google Authenticate or Authy. When you set this app up, it means that if anyone tries to withdraw from your crypto exchange, they will need to insert the code from the app which expires every 30 seconds. It's best that you use one of these apps instead of your phone number as an extra security backup because phone numbers can be compromised by hackers in an attempt to bypass your security.

Many people have lost all their holdings due to lack of proper security protocols. Don't be one of those people. It does take extra effort to be secure, but it is well worth it.

Now to conclude, this guide, there is still so much opportunity in the space, just make sure you position yourself correctly, have a plan, stay secure, don't invest in too many projects and keep up with what's happening in the space.

The space changes all the time and to keep up to date with the movements, you need to be tuned in.

The cryptocurrency markets move in cycles and the better your understanding of this, the better you will understand the markets and be able to navigate them.