



CHARTBYTES

22 February 2023

INTRODUCTION

ChartBytes is a publication showing a selection of observations from the ByteTree Terminal. It covers ByteTrend charts, on-chain data, fund flows, gold valuations and anything else interesting that we think worth sharing.

We think ByteTrend is rich with information, but we also understand that parts of it are hard to understand and extract. Hopefully, ChartBytes will make that journey easier and enable you to dig into this invaluable seam of information.

We'd love to hear your feedback and suggestions at feedback@bytetree.com.

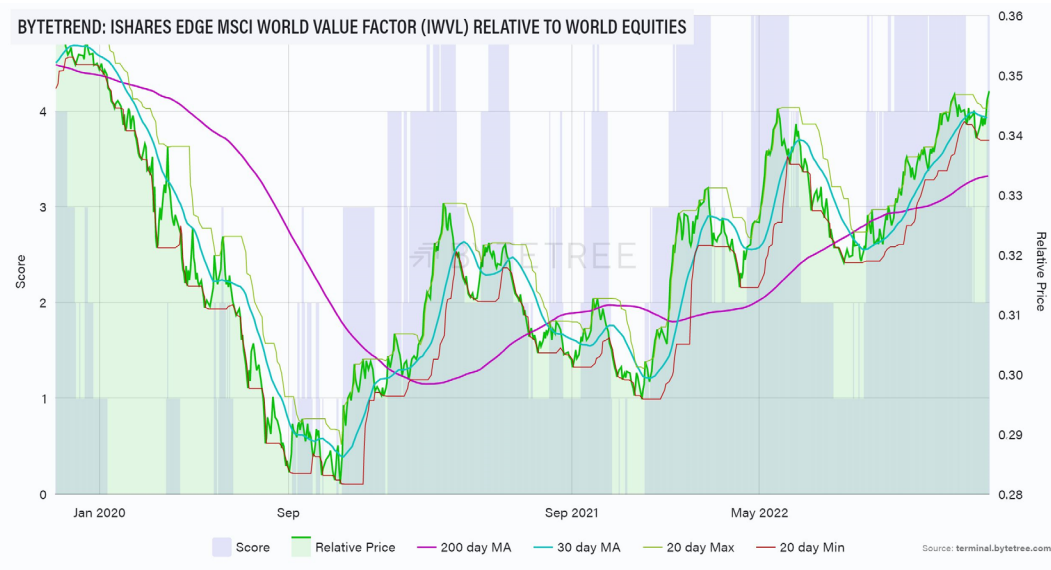
None of what you find in here is investment advice. This document is prepared purely for informational and educational purposes.

BYTETREND EXPLAINED

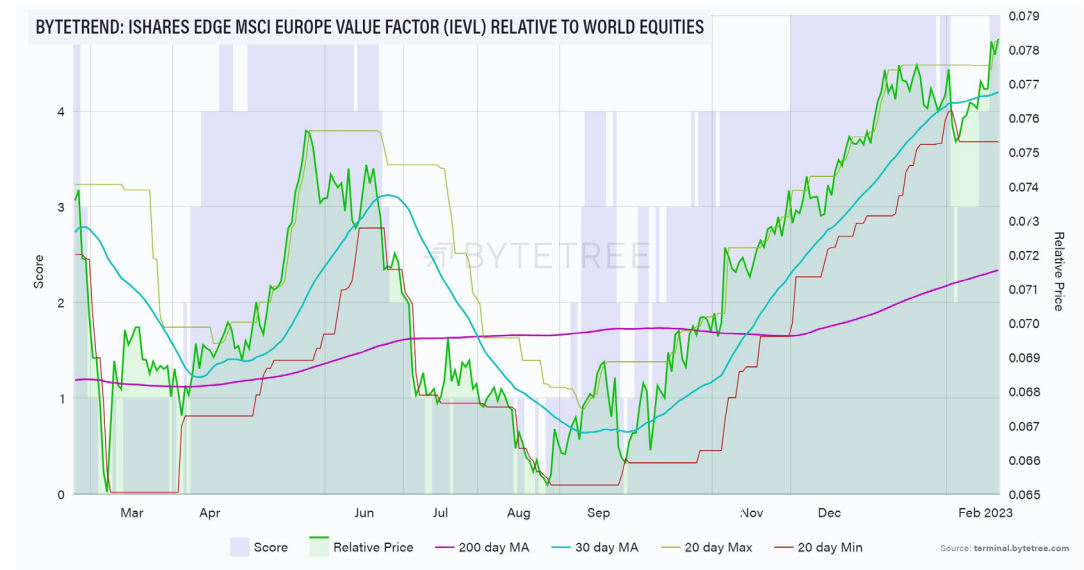
- ByteTrend is a quick and easy way to **visualise market trends**. It does this by scoring assets on the strength of their price trend.
- Understanding price performance relative to a peer group is vital, not only for **generating investment ideas**, but also to **warn us what is not working**. ByteTrend provides an ***instant snapshot of what the market is telling us***.
- ByteTrend shows whether prices are rising, falling or range bound. These moves **can be calculated in absolute terms** (relative to the US\$) or **relative terms** (relative to Global Equities in the case of ETFs, for example, or bitcoin for crypto).
- ByteTrend screens **four separate asset classes** each day for changes in trend. They are divided into: ***ETFs (comprising all Exchange Traded Funds), Commodities, Countries and Crypto***.
- A ByteTrend score gets a **point for each of the following criteria**:
 - ☆ Price is above the 280-day moving average
 - ☆ Price is above the 42-day moving average
 - ☆ 280-day moving average slope is rising
 - ☆ 42-day moving average slope is rising
 - ☆ The last touch of the 20-day max/min lines was max
- **The highest score of 5 means the token is in an uptrend, and the lowest score of 0, a downtrend.**
- Scores between 1 and 4 indicate the token is rangebound.
- Trend-following is a **powerful and proven technical analysis methodology used by investment greats** like Paul Tudor-Jones and Jim Symons.
- For more information on ByteTrend please visit: <https://terminal.bytetree.com/bytetrend>

ByteTrend - ETFs

“Value” is back – 5-star trends regained



<https://terminal.bytetree.com/bytetrend/etf/iwvl/world>

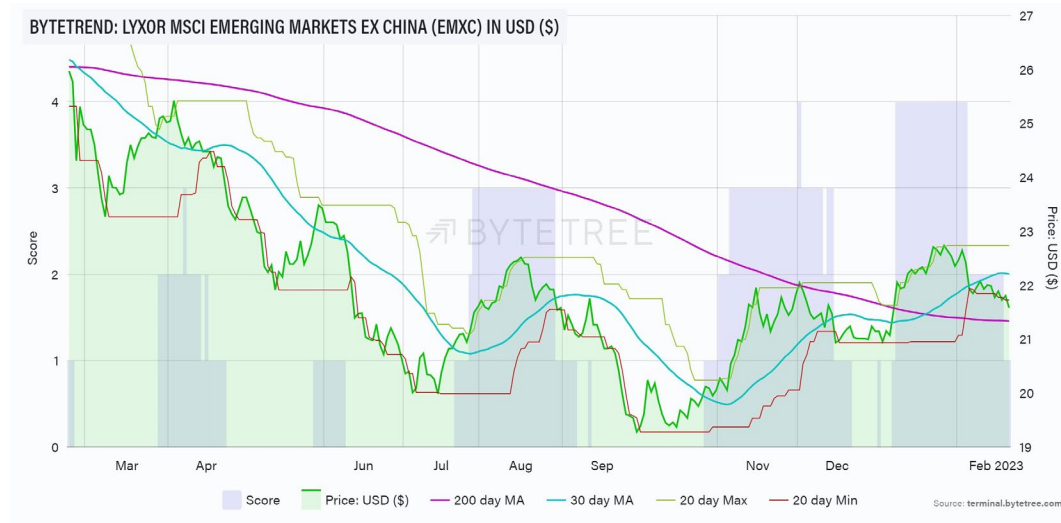


<https://terminal.bytetree.com/bytetrend/etf/ievl/world>

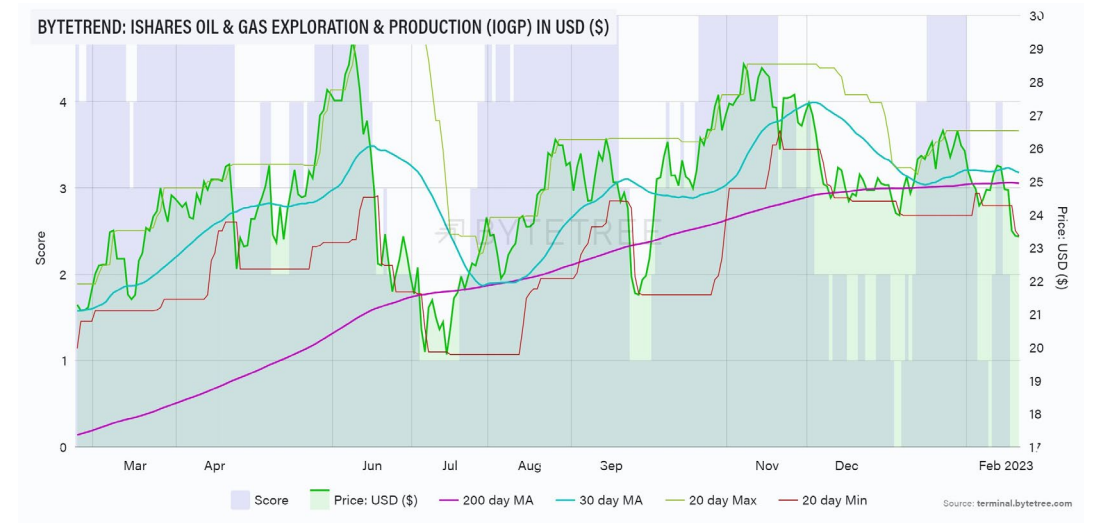
Both World and European Value ETFs have resumed outperformance of world equities, and are both on 5 star trends. To be expected in an environment of a “higher for longer” cost of capital, perhaps.

ByteTrend - ETFs

Emerging Markets and Oil have rolled over in US\$ terms



<https://terminal.bytetree.com/bytetrend/etf/emxc/usd>



<https://terminal.bytetree.com/bytetrend/etf/iogp/usd>

Emerging markets and commodities generally perform well in weak US\$ environments, but they are now on 1 star and zero stars respectively. As discussed in this week's [Multi-Asset Investor](#), we appear to be at a crossroads as far as the dollar is concerned. Alternatively this price action foretells a growth slowdown.

ByteTrend - Commodities

Food strong...energy weak

If energy is a lead indicator for food, we shouldn't be too alarmed about enduring higher food prices

COMMODITIES LISTED:

> In USD (\$)

 FILTER DAILY +/-:

Select fund for chart/past scores. Click column to sort.

Fund	Ticker	Score <div>i</div>	Daily
WT Live Cattle	CATL	<div><div></div><div></div><div></div><div></div><div></div></div>	
WT Cocoa	COCO	<div><div></div><div></div><div></div><div></div><div></div></div>	
WT Soybeans	SOYB	<div><div></div><div></div><div></div><div></div><div></div></div>	+1
WT Sugar	SUGA	<div><div></div><div></div><div></div><div></div><div></div></div>	
WT Corn	CORN	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
WT Coffee	COFF	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
WT Copper	COPA	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
WT Lead	LEED	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
WT Wheat	WEAT	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	

COMMODITIES LISTED: > In USD (\$) FILTER DAILY +/-: ☒

Select fund for chart/past scores. Click column to sort.

Fund	Ticker	Score i	Daily +
WT Cotton	COTN	★★★★☆	
WT HEATING OIL	HEAT	★★★★☆	
iShares Physical Palladium	IPDM	★★★★☆	
WT Natural Gas	NGAS	★★★★☆	
WT ZINC	ZINC	★★★★☆	
WT WTI Crude Oil	CRUD	★★★☆☆	
iShares Physical Platinum	IPLT	★★★☆☆	+1
WT Aluminium	ALUM	★★★☆☆	
WT Brent Crude Oil	BRNT	★★★☆☆	
WT LEAN HOGS	HOGS	★★★☆☆	+2
iShares Physical Gold ETC	IGLN	★★★☆☆	
iShares Physical Silver ETC	ISLN	★★★☆☆	

These tables have been sorted by score. This is done by **clicking on the word "Score" at the top of the column**. You can sort by any column using the same process.

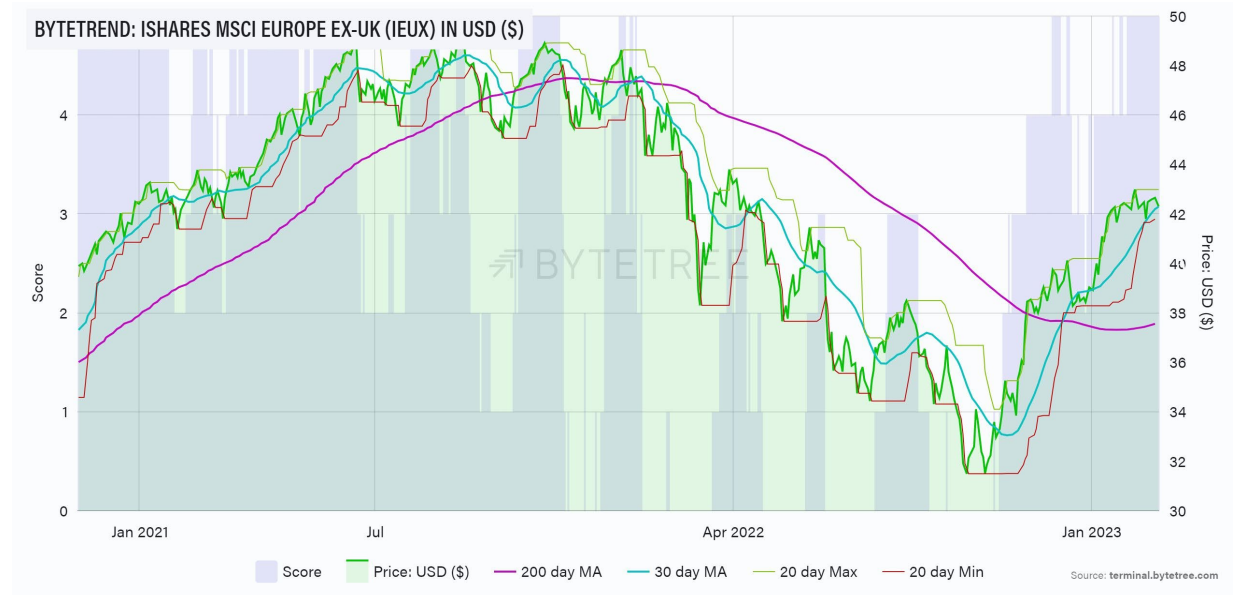
ByteTrend - Countries

Europe strong but extended

COUNTRIES LISTED: > In USD (\$) FILTER DAILY +/-: ☒ SEARCH

Select fund for chart/past scores. Click column to sort.

Fund	Ticker	Score i	Da
iShares MSCI MEX CAPPED USD	CMXC	★★★★★	
SPDR FTSE UK All Share	FTAL	★★★★★	
iShares MSCI Europe ex-UK	IEUX	★★★★★	
iShares FTSE MIB EUR Dist	IMIB	★★★★★	
iShares MSCI France	ISFR	★★★★★	
iShares OMX Stockholm Capped	OMXS	★★★★★	
Vanguard FTSE 100	VUKE	★★★★★	
X MSCI Nordic	XDNO	★★★★★	



<https://terminal.bytetree.com/bytetrend/countries/ieux/USD>

Source: [ByteTree Terminal](#)

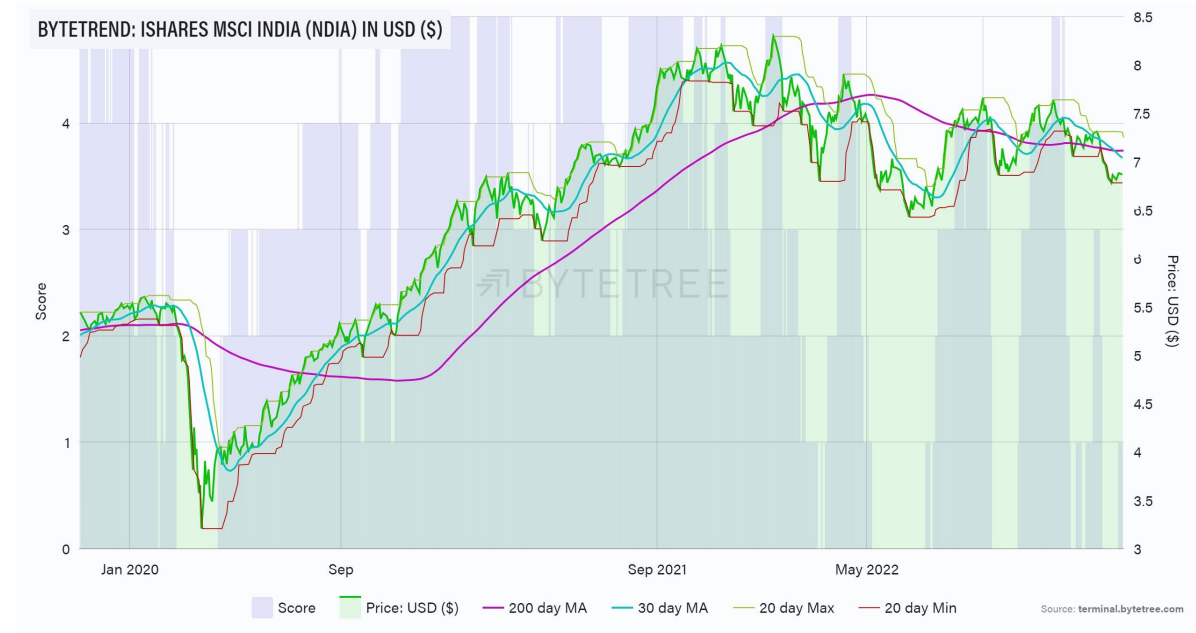
ByteTrend - Countries

Asia ex-Japan dominates the underperformers

COUNTRIES LISTED: > In USD (\$) FILTER DAILY +/-: ☒ SEARCH:

Select fund for chart/past scores. Click column to sort.

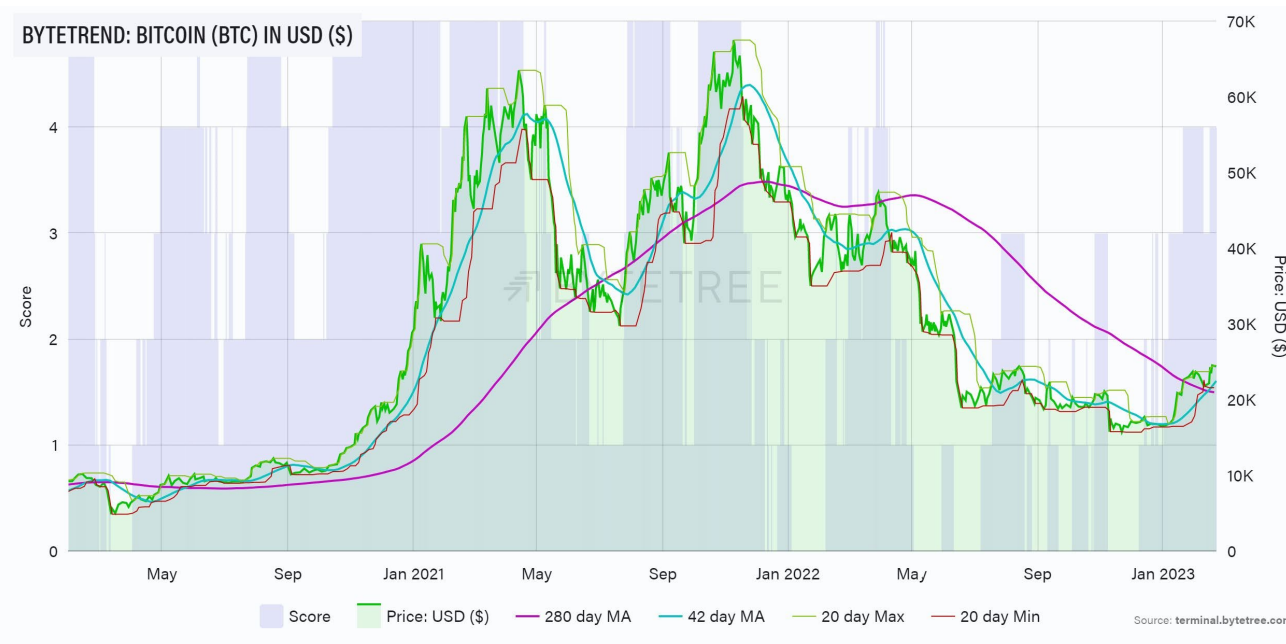
Fund	Ticker	Score i	Daily
iShares MSCI India	NDIA	☆☆☆☆☆	-1
iShares MSCI Saudi Arabia Capped	IKSA	☆☆☆☆☆	
X FTSE Vietnam SWAP	XVTD	☆☆☆☆☆	
iShares MSCI South Africa	IRSA	☆☆☆☆☆	-1
X MSCI Pakistan SWAP	XBAK	☆☆☆☆☆	
iShares Core MSCI EM IMI	EIMU	★☆☆☆☆	
iShares MSCI Korea USD Dist	IDKO	★☆☆☆☆	
Lyxor MSCI Emerging Markets Ex China	EMXC	★☆☆☆☆	
iShares MSCI EM Small Cap	IEMS	★☆☆☆☆	
X MSCI Philippines 1C	XPHI	★☆☆☆☆	
iShares MSCI EM USD Dist	IEEM	★☆☆☆☆	
X MSCI Malaysia 1C	XCS3	★☆☆☆☆	
iShares MSCI Korea	IKOR	★☆☆☆☆	



<https://terminal.bytetree.com/bytetrend/countries/ndia/usd>

ByteTrend – Crypto

Bitcoin on a 4-star trend score in US\$



<https://terminal.bytetree.com/bytetrend/crypto/btc/usd?view=btc>

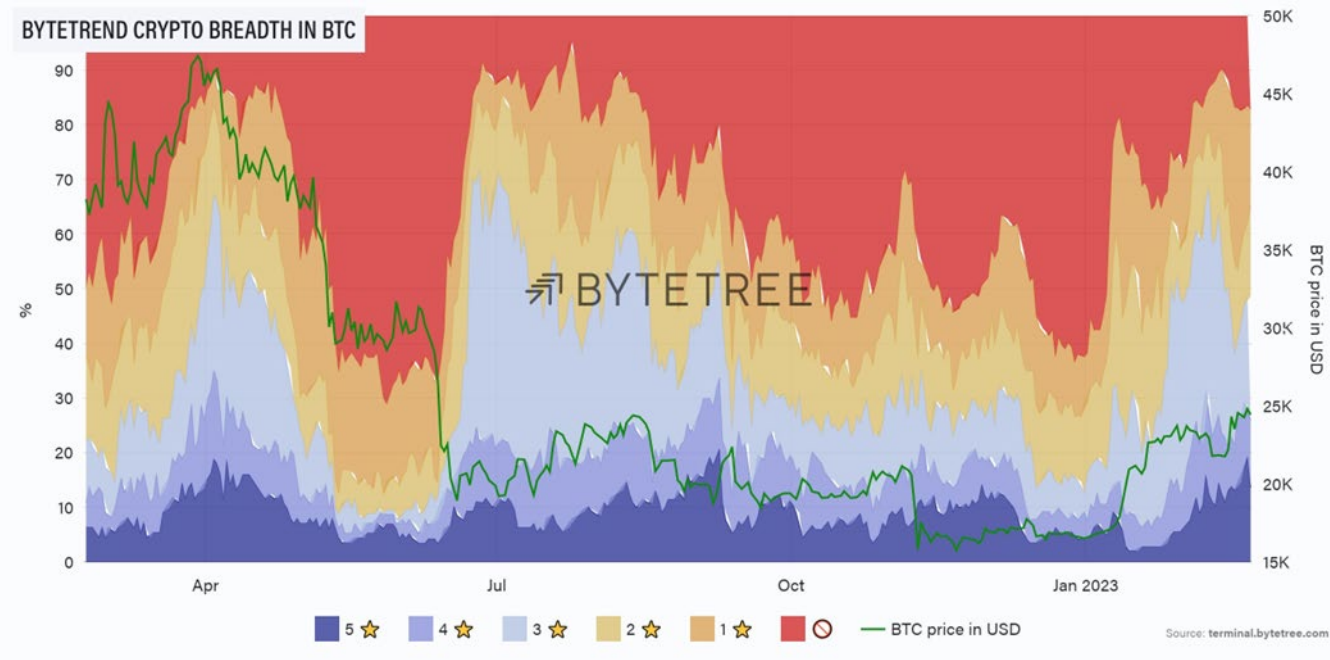
The 280-day moving average needs to slope upwards in order to turn on the 5th star.

Note that the shorter term 42-day moving average has crossed above the 280-day, which has happened **only twice before in the last 3 years**.

Our analysis of bitcoin can be found in [ATOMIC](#).

ByteTrend – Crypto Breadth

The recovery in crypto is expanding beyond bitcoin



The growth of the blue sections demonstrates more altcoins performing strongly relative to bitcoin

This will need to be sustained if we are moving into a bull market

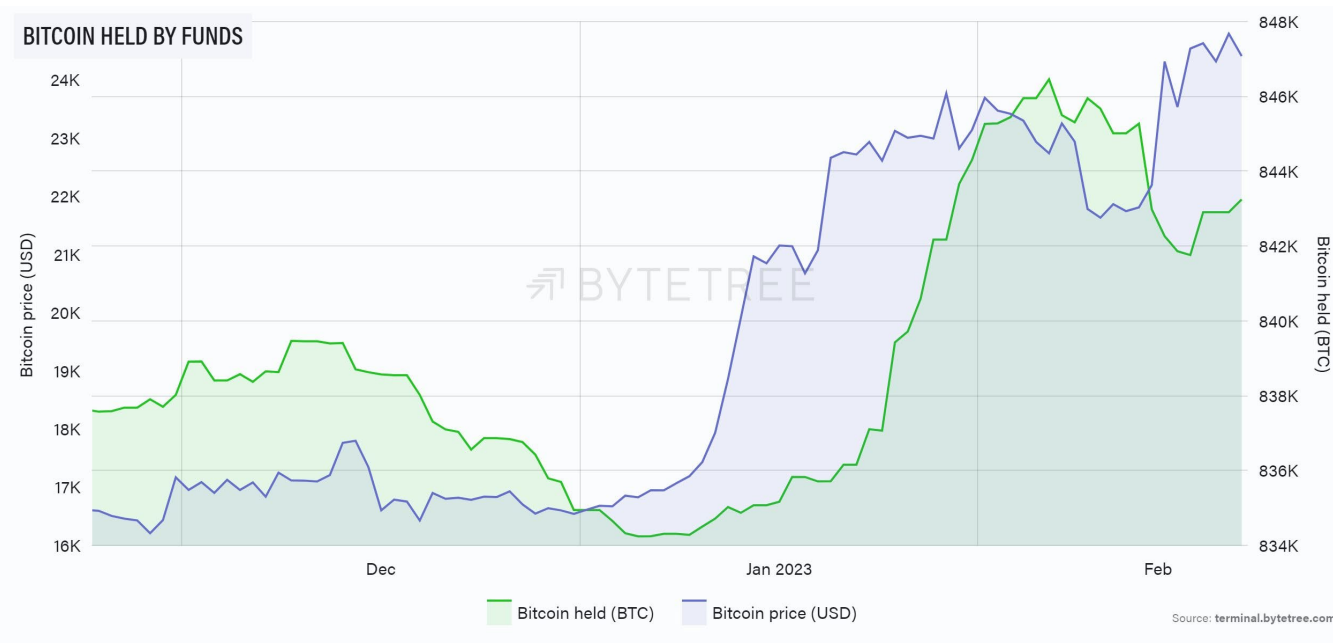
<https://terminal.bytetree.com/bytetrend/crypto/breadth/?view=btc&price=btc>

The ByteTrend Breadth chart **visualises the strength or weakness of an asset class**. Different star counts are represented by different colour bands. A large amount of red sky tells us that the asset we are measuring against (the US\$ perhaps), is performing better than everything else (bearish). In a more bullish scenario, when the market is strong and lots of ETFs are going up, we would see expanding bands of blue.

Source: [ByteTree Terminal](https://terminal.bytetree.com)

Fund Flows – Crypto

Bitcoin fund holdings are solid



<https://terminal.bytetree.com/bitcoin/flows>

Some profit-taking appeared at the start of February, but has had no impact on the price

Buying has picked up again after the recent price surge

On-chain Data – Bitcoin

After a busy start to the year, some of the bitcoin on-chain metrics are slowing



<https://terminal.bytetree.com/bitcoin/charts>

Velocity shows the speed at which a coin moves around the network every 12 months

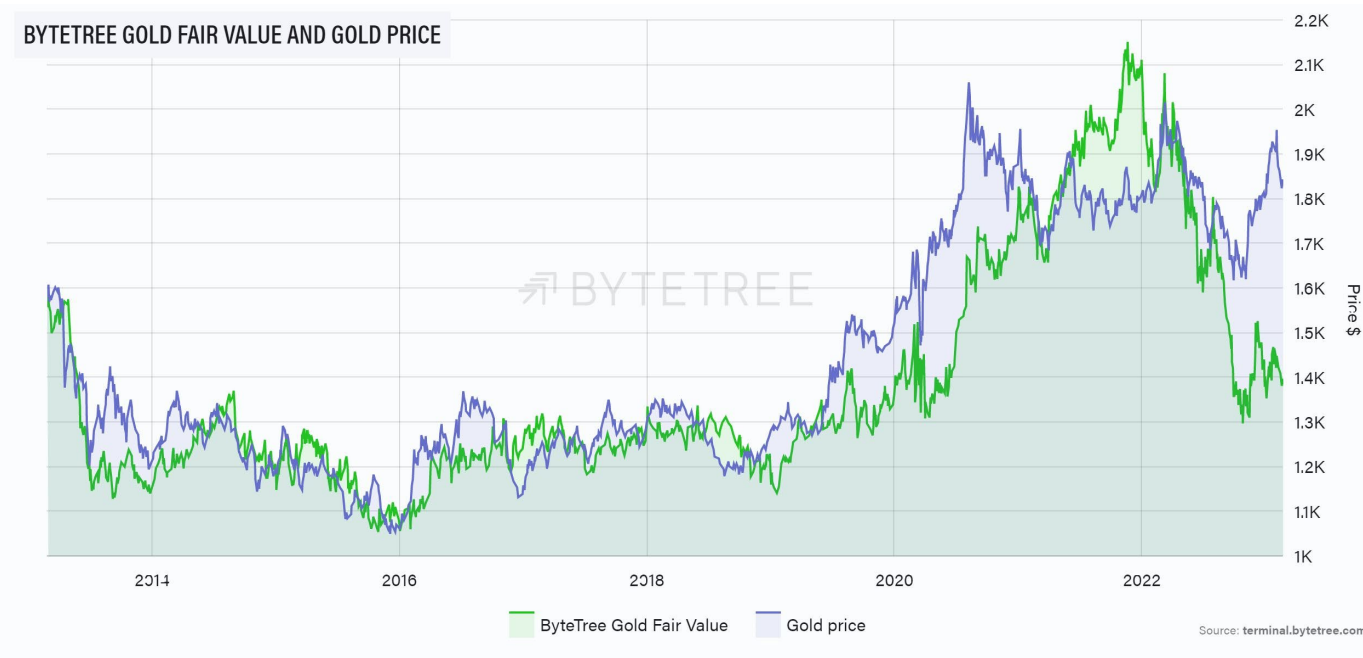
Greater velocity implies a livelier network

Other metrics are also looking a bit weaker, which can be seen on the [Charts](#) page

We write in detail about on-chain behaviour in [ATOMIC](#) every fortnight

Valuation - Gold

Wide dispersion between the gold price and the ByteTree fair value



We haven't seen this level of disagreement between the price and the model since 2020, when the gold price correctly forecast an inflationary surge.

Once again Professor Gold disputes the inflation outlook with bond markets. This time it is far less clear which is correct, but the turndown in the gold price should be watched carefully. It might be that the "transitory" camp were right after all.

<https://terminal.bytetree.com/gold/valuation>

ABOUT BYTETREE

VISION

To deliver actionable, high quality, investment guidance across new and traditional asset classes, at an affordable price.

MISSION

We strive to offer our subscribers the best model portfolios on a risk/return basis, backed up by educational, entertaining, and interactive investment content and analysis.

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