



Greed Sentiment Could Bring Bitcoin (CRYPTO:BTC) Down to US\$45,000

Description

The world's most popular cryptocurrency started a mini bull run on March 21, 2022. **Bitcoin** ([CRYPTO:BTC](#)) eventually retreated on March 30, 2022, to US\$47,065.88. Crypto analysts say BTC may be consolidating at US\$47,000.

Based on the golden ratio multiplier (GRM) metric, BTC reclaimed an essential support zone on March 27, 2022. According to [cointelegraph.com](#), GRM refers to the long-term observational metric for Bitcoin price action. Without going through the technical details, it signals further [upside](#), said crypto analyst Philip Swift.

Greed sentiment

Market observers said that BTC retreated on March 30 instead of inducing a fresh advance. The slide seems to show the crypto could lose support at US\$47,000 despite gaining 18.6% since March 14, 2022. On a year-to-date basis, the gain is below 2%.

Cointelegraph.com reveals that the [sentiment](#) has changed from extreme fear to greed. Because of the turnaround overnight on March 30, crypto bulls might find it difficult to overcome the US\$48,000 level. The data came from Cointelegraph Markets Pro and TradingView.

While traders see the possibility of a support back test, a retracement is more likely than an uptrend. For Crypto Ed, a popular trader, the core bounce zone is US\$45,000 in case of a broader pullback. Thus, the price is below the all-important yearly open of US\$46,000.

Frequent price fluctuations

Since the cryptocurrency market is [highly volatile](#), investors must be aware of or watch for frequent fluctuations. The suggestion of crypto traders is to check Bitcoin's price movement and compare the movements of other cryptos. BTC can suddenly spike or dip while its peers move in the opposite direction.

Again, on March 30, 2022, most altcoins outperformed BTC. **Solana** rose 6.7%, while Bitcoin and **Ethereum** fell 0.8% and 0.5%, respectively. As of this writing, CoinMarketCap reports that the global crypto-market capital is US\$2.15 trillion. However, the trading volume of US\$113.28 billion over the last 24 hours represents a 4.78% decline.

Bigger share of taxes

U.S. President Joe Biden released an executive order (E.O.) on cryptocurrency and its trading last month. This week, his administration's proposed federal budget seeks to generate US\$11 billion in new revenue in the next 10 years from the revised crypto rules. The government believes the crypto industry must pay higher taxes.

For 2023, the present dispensation expects to generate US\$5 billion in additional revenue. Among the prominent items in the proposed federal budget is the extension of "mark-to-market" rules to more digital assets. It calls for taxes when crypto prices appreciate even if they are not sold.

With his E.O. intending to protect investors and eliminate fraud, the Biden administration seeks an additional US\$52 million budget to counter cyber threats. It should expand the Department of Justice's ability to counter the misuse of cryptocurrency and cyber threats, including ransomware.

Challenges in Canada

Other countries could follow the lead of the United States. Brian Mosoff, CEO of Ether Capital, said cryptocurrency companies in Canada face many challenges from a regulatory perspective. The country, through the federal government, has yet to give clarity about what type of assets digital currencies really are.

Meanwhile, Alberta plans to table legislation that promotes innovation. The provincial government aspires to become the new frontier for cryptocurrency entrepreneurs.

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