

In October, I wrote a *Forbes* piece called "[Why Bitcoin May Make A Powerful Move Soon.](#)" In that piece, I showed how Bitcoin was forming a *descending triangle pattern* that was likely to result in another major move once the cryptocurrency broke out from it (either up or down). A few weeks later, Bitcoin plunged 50% from approximately \$6,500 to \$3,250.

Since early-December, Bitcoin has been consolidating around the key \$4,000 level as die-hard fans believe that the digital currency is cheap and has found a bottom. According to my analysis, however, Bitcoin is forming another triangle pattern and is likely to make another big move once a breakout occurs. Bitcoin is still in a confirmed downtrend and a breakdown from this pattern would likely foreshadow the cryptocurrency hitting the low thousands or even under \$1,000, eventually.



The longer-term chart shows the now-broken descending triangle and the triangle that is currently forming. If Bitcoin breaks down from the current triangle, the downtrend will continue as the digital currency further erases its gains made during the 2017 cryptocurrency bubble.



For now, I am watching which way Bitcoin breaks out from the triangle that is currently forming.

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