



JUNE 21 - 2023

DAILY MARKET REPORT



SECURE
DIGITAL MARKETS

Institutional research.

Markets Insights

	S2	S1	R1	R2	24H %	7D %	30D %	YTD %
Bitcoin	27,250	28,000	29,500	30,600	8.97%	8.97%	3.66%	76.08%
Ethereum	1,630	1,710	1,910	1,995	6.08%	4.84%	1.27%	52.68%
S&P 500	4,300	4,340	4,500	4,580	-0.43%	-0.06%	6.19%	16.23%
Nasdaq	14,250	14,700	15,275	15,650	-0.93%	-0.56%	9.73%	36.46%
US Dollar Index	100.35	101.70	103.15	104.30	-0.06%	-0.11%	-1.29%	-1.26%

Next FOMC meeting: July 26 2023.

- Probability of a 0bps hike → 20%
- Probability of a 25bps hike → 80%



BITCOIN

Price: \$29,315

Change (24hrs): +10%

Trading Volume (24hrs): +103%

Funding rate: 0.0021%



ETHEREUM

Price: \$1,837

Change (24hrs): +7%

Trading Volume (24hrs): +76%

Funding rate: -0.0019%



Latest Digital Asset News

Crypto firms tout 'fictitious' regulatory stamps, Canadian regulator warns

The Canadian Securities Administrators (CSA) has issued a warning about a fraudulent regulatory certificate circulating among cryptocurrency firms. The certificate falsely claims to be issued by the CSA, tricking investors into thinking the companies are compliant with Canadian regulations. The CSA clarified that it does not issue such certificates and urged investors to exercise caution and conduct thorough due diligence before engaging with any crypto firm. This warning highlights the ongoing need for vigilance in the crypto industry, emphasizing the importance of verifying regulatory compliance and authenticity of certificates to protect investors from potential scams or fraudulent activities.

WisdomTree, Invesco and BlackRock are now all gunning for a Bitcoin ETF

Prominent asset management firms WisdomTree, Invesco, and BlackRock are all actively pursuing the launch of a Bitcoin exchange-traded fund (ETF). These companies have filed applications with the U.S. Securities and Exchange Commission (SEC) seeking approval for Bitcoin ETFs. While previous Bitcoin ETF proposals have faced regulatory hurdles, the entry of major players like WisdomTree, Invesco, and BlackRock indicates growing institutional interest and confidence in the cryptocurrency market. A Bitcoin ETF would provide institutional investors with a regulated and accessible vehicle to gain exposure to Bitcoin, potentially leading to increased adoption and liquidity in the digital asset space.

GBTC trading volume spikes 400% after BlackRock files for bitcoin ETF

The trading volume of Grayscale Bitcoin Trust (GBTC) experienced a significant surge following BlackRock's filing for a Bitcoin exchange-traded fund (ETF). As BlackRock, the world's largest asset manager, signalled its interest in a Bitcoin ETF, investors turned to GBTC as a way to gain exposure to Bitcoin through a regulated investment vehicle. The increased trading volume suggests heightened market activity and growing demand for Bitcoin-related investment products. This development showcases the interconnectedness of different crypto assets and the potential impact of institutional players on the broader cryptocurrency market. The GBTC surge indicates investor optimism and anticipation surrounding the potential approval of a Bitcoin ETF.

BlackRock ETF launch would put pressure on Grayscale's valuation: Bloomberg analyst

According to a Bloomberg analyst, if BlackRock were to launch a Bitcoin exchange-traded fund (ETF), it could potentially exert pressure on the valuation of Grayscale's Bitcoin Trust (GBTC). The reasoning behind this is that BlackRock's ETF offering would likely compete directly with GBTC, which currently holds a significant share of the market for Bitcoin investment products. The entry of a major player like BlackRock could attract investors away from GBTC and impact its premium valuation. This analysis highlights the potential market dynamics and competition that may arise if more established financial institutions enter the Bitcoin ETF space, affecting the performance of existing investment products.



TradFi

U.S. President Joe Biden on Tuesday called Chinese leader Xi Jinping a dictator, drawing a harsh response from China and creating a potential diplomatic setback with ties already fragile between the two countries.

In recent developments, the United Kingdom experienced a higher-than-anticipated inflation rate in May, with consumer prices surging by 8.7% on an annual basis. This figure surpassed initial estimates of 8.4% and remained unchanged from the previous month. Consequently, this outcome has exerted significant pressure on both the government and the Bank of England. The central bank is slated to unveil its upcoming monetary policy decision on Thursday, and market expectations point towards the implementation of its 13th consecutive interest rate hike. This decision underscores the delicate task at hand for the Bank of England, as it strives to strike a careful balance between curbing inflationary pressures and avoiding potential adverse impacts such as a mortgage crisis or recession.

Federal Reserve Chair Jerome Powell is set to testify before the House Financial Services Committee at 10 a.m. ET.

U.S. stock futures were slightly lower on Wednesday as investors took a breather from last week's market rally. The S&P500 continues its path lower after having broken below the rising trend channel on the intraday time frame. As long as the index is trading below 4450, we should expect the downside move to continue towards 4405 and possibly 4300 if there is enough bearish momentum.

Upcoming:

- Wednesday:
 - UK CPI
 - US Fed Chair Powell testifies
- Thursday:
 - UK interest rate decision
 - US unemployment claims
 - US Fed Chair Powell testifies part 2
- Friday: US + EUR manufacturing & services PMI

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Bitcoin

Bitcoin is finally back in bullish territory.

The current market environment is witnessing a notable upswing in institutional adoption, which is significantly influencing both price movements and overall market sentiment. This positive trend can be attributed, in large part, to recent developments surrounding BlackRock's intentions to file for a spot exchange-traded fund (ETF) linked to Bitcoin. This news has piqued the interest of institutional participants who have been contemplating entry into the cryptocurrency realm.

Adding to the growing momentum, Invesco has announced its decision to revive its spot Bitcoin ETF filing, after previously shelving it in 2021. In parallel, Wisdomtree has also taken steps to file for a US-based spot Bitcoin ETF. These developments further underscore the increasing institutional interest and desire to establish regulated investment vehicles for gaining exposure to Bitcoin. Also, EDX, a new exchange backed by influential entities such as Citadel Securities, Fidelity Investments, and Charles Schwab, is preparing to launch and facilitate trading of prominent cryptocurrencies, including Bitcoin, Ethereum, Litecoin, and Bitcoin Cash.

Collectively, these occurrences demonstrate the strengthening presence of institutional players in the cryptocurrency market and signify a noteworthy advancement towards greater mainstream acceptance and accessibility.

A noteworthy development revolves around the Chicago Mercantile Exchange (CME), which experienced the most substantial daily increase in Bitcoin (BTC) open interest among all derivatives exchanges. Notably, Binance retains its position as the leading exchange in terms of open interest, with Bybit following closely behind, and CME occupying the third spot.

Furthermore, the perpetual open interest (Perp OI) observed a notable surge of 7.4% in the previous day, currently reaching 324,000 BTC. This level represents the highest point since January 14, 2023. Additionally, funding rates have shown signs of heating up, particularly on Binance, resulting in a shift towards neutral levels. This suggests a relatively balanced sentiment between long positions (buyers) and short positions (sellers) in the market.

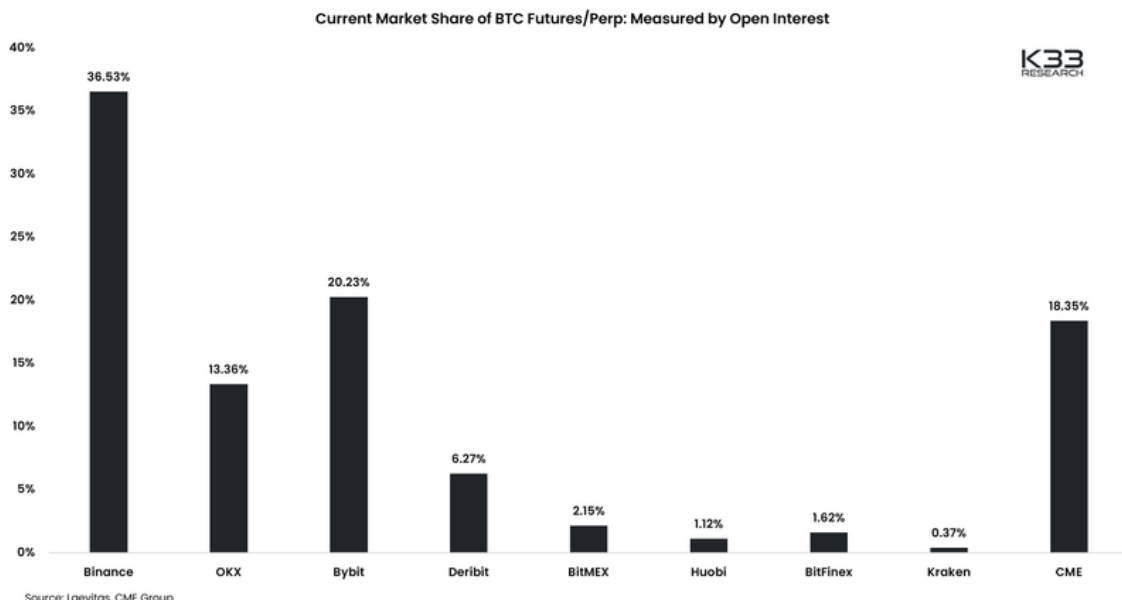
BTC/USD broke above its declining trend line as well as the 50-day moving average to enter bullish territory. Prices squeezed by over 17% from the famous support level of \$25,000 that everyone has been tracking for months now, thus acting as great support.

Given the recent strength of the stock market that has been constantly reaching record highs, it is possible for BTC to reach yearly highs if this trend persists. It is quite surprising to see Gold trading at such low levels given their correlation with one another, but these days, correlations go from positive to negative relatively quickly in such a dynamic market.

It's important to keep an eye on Nasdaq's recent weakness as well as the US dollar's strength as these two may serve as potential risks for Bitcoin's price action.

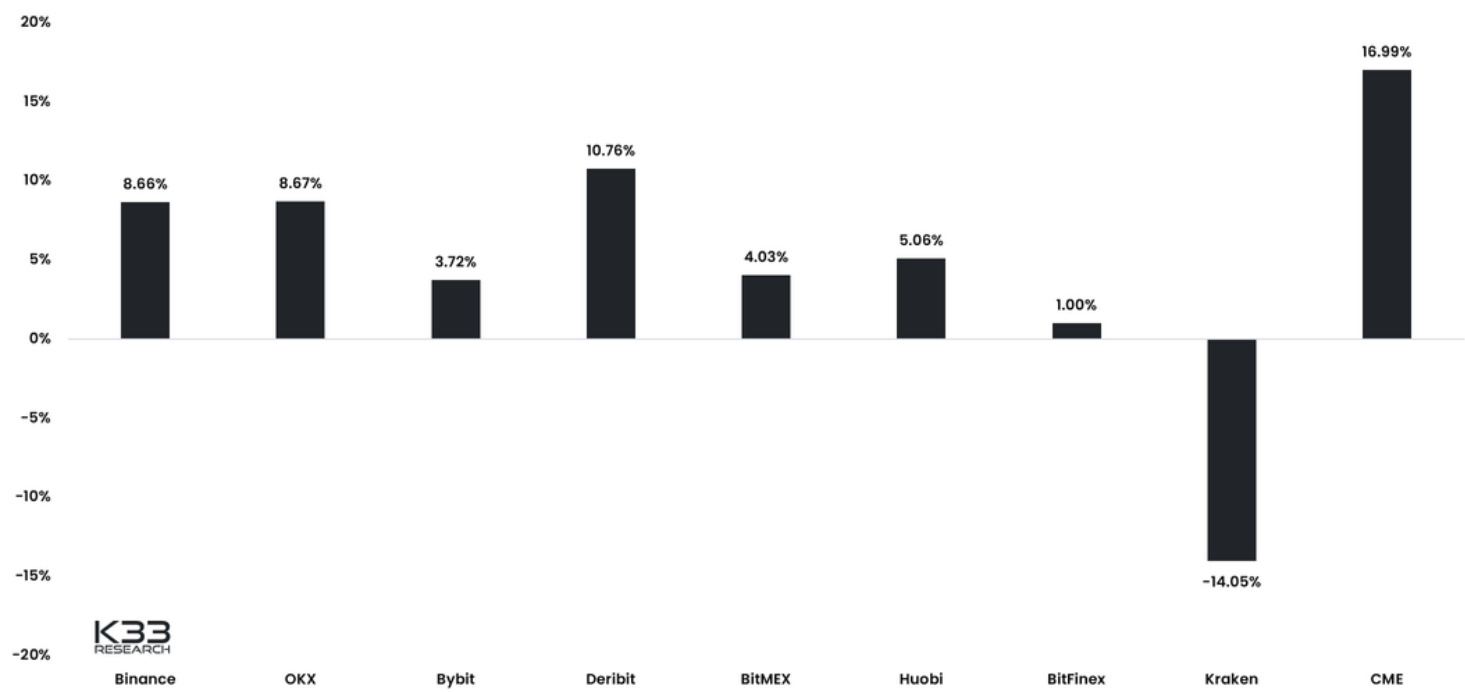
Buyers looking to initiate limit orders should eye the 28,500, 28,000 and 27,500 levels.

- BTC > 27,500 → Bullish
- BTC < 27,500 → Neutral
- BTC < 24,850 → Bearish



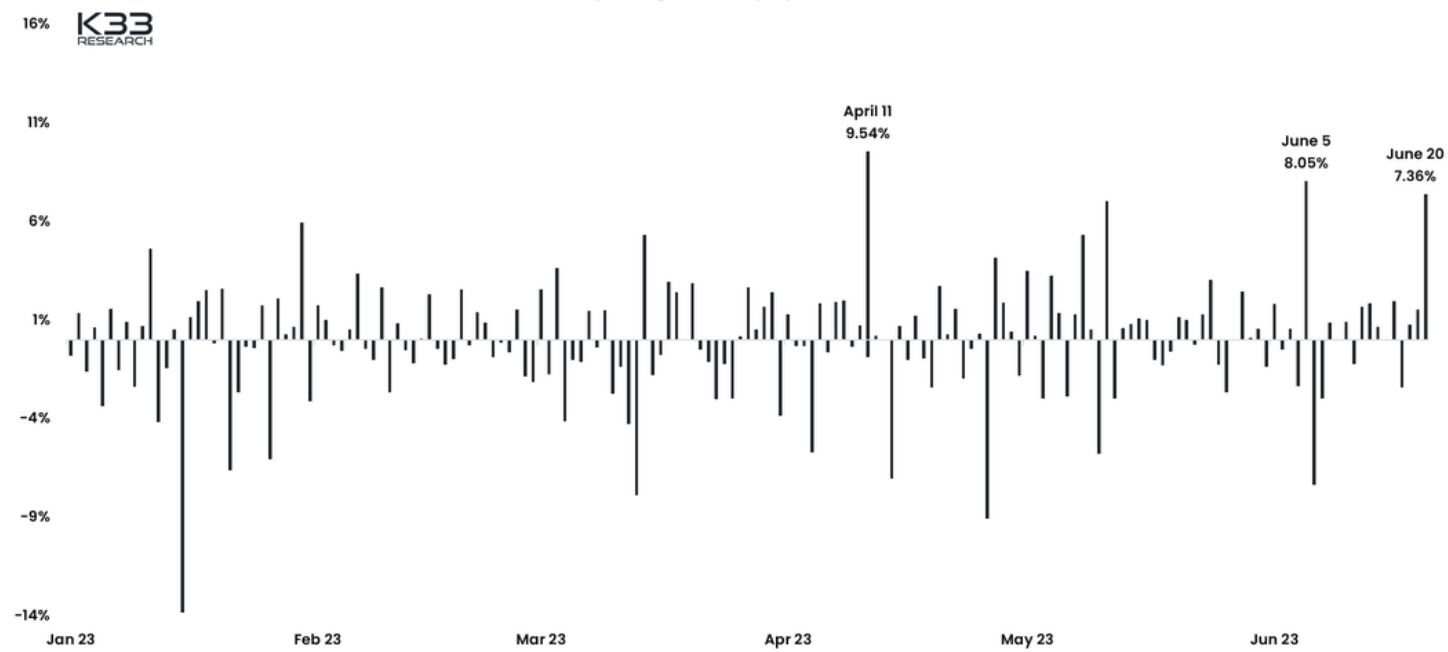
Bitcoin

Daily Change to Open Interest



Source: Laevitas, CME Group

Daily change: BTC Perp Open Interest



Bitcoin

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TradingView



Ethereum

ETHUSDT followed the crypto market higher despite still trading within a declining trend channel. Our stance remains neutral on Ethereum as we still haven't surpassed the previous pivot high of 1910 which would be crucial to enter bullish territory.

Looking at an intraday time frame, prices broke above an inverted Head-and-Shoulders pattern which pushed prices higher by over 5% to reach a session high of \$1,838. If prices can break above this intraday trend channel above 1855, we expect further upside towards 1910.

ETHBTC continues its trend lower as expected as BTC is at the heart of the institutional narrative that is taking place. If we break this recent low of 0.062 then we can expect BTC to gain more market share vs. ETH.

- ETH > 1910 → Bullish
- ETH < 1910 → Neutral
- ETH < 1630 → Bearish



Ethereum

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Ethereum / TetherUS, 1D, BINANCE +41.95 (+2.34%)



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Ethereum / Bitcoin, 1D, BINANCE -0.00073 (-15%)



TradingView



Altcoin Analysis - Cardano (ADA)

An overnight rally in bitcoin (BTC) led majors, most notably Cardano (ADA) and Ethereum (ETH) to surge as much as 7% and post one of the largest single-day gains this month.

Overall crypto market capitalisation rose 5% over the past 24 hours, adding nearly \$50 billion in value. The surge caused \$125 million in short liquidations across crypto-tracked futures (CoinGlass)

ADA/USDT - On the weekly chart, price can be seen to have regained ~26% since the SEC induced fear. This suggests buyers did step in after the sharp move down, however after taking the major low, the bears are likely to continue until structure proves a change in direction. The resistance at 0.3000 may trigger a reaction.



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