



JUNE 9 - 2023

DAILY MARKET REPORT



SECURE
DIGITAL MARKETS

Institutional research.

Markets Insights

	S2	S1	R1	R2	24H %	7D %	30D %	YTD %
Bitcoin	25,250	26,300	27,500	28,500	0.98%	0.98%	0.10%	60.86%
Ethereum	1,710	1,780	1,930	1,995	0.09%	1.79%	3.53%	54.64%
S&P 500	4,120	4,190	4,315	4,390	0.62%	0.89%	4.76%	10.76%
Nasdaq	13,900	14,250	14,850	15,275	+1.25%	0.83%	9.94%	34.06%
US Dollar Index	101.70	102.55	104.30	105.30	+0.05%	-0.11%	0.74%	0.93%

Next FOMC meeting: June 14 2023.

- Probability of a 0bps hike → 72%
- Probability of a 25bps hike → 28%



BITCOIN

Price: \$26,700

Change (24hrs): +0.90%

Trading Volume (24hrs): -27%

Funding rate: 0.0097% (+80%)



ETHEREUM

Price: \$1,850

Change (24hrs): -0.10%

Trading Volume (24hrs): -29%

Funding rate: 0.0077% (0%)



Latest Digital Asset News

Coinbase CEO's \$1.8 million stock sale raises eyebrows amid SEC lawsuit

A recent stock sale by the CEO of Coinbase, a prominent cryptocurrency exchange, has raised concerns in the context of an ongoing lawsuit with the U.S. Securities and Exchange Commission (SEC).

Brian Armstrong, the CEO of Coinbase, sold around \$1.8 million worth of company stock shortly after the exchange's direct listing on the Nasdaq stock exchange. This transaction has drawn attention because it coincides with the SEC's lawsuit against Coinbase, which alleges that the company's upcoming lending product violates securities laws. The SEC has warned that it may take legal action against Coinbase if it launches the product.

Critics argue that Armstrong's stock sale raises questions about his confidence in the company's future, as well as concerns about insider trading. However, others suggest that the sale could be a prudent move by Armstrong to diversify his personal financial portfolio.

SEC lawsuits have hit crypto securities harder than crypto commodities

The SEC has been actively pursuing legal action against various cryptocurrency projects, alleging that their tokens are unregistered securities and therefore in violation of securities laws. This has resulted in significant consequences for the targeted projects, including penalties, settlements, and in some cases, shutting down their operations altogether.

The classification of cryptocurrencies as securities carries stricter regulatory requirements and potential legal liabilities compared to those classified as commodities. Cryptocurrencies categorized as commodities, such as Bitcoin and Ethereum, have faced fewer legal challenges from the SEC, as they are viewed as decentralized and not controlled by any specific entity.

Binance.US Suspends Use of Fiat as Legal Troubles Mount

The exchange says users should withdraw USD as soon as possible as the Securities and Exchange Commission engages in "extremely aggressive and intimidating tactics" against the company.

Binance.US says it's transitioning to an all-crypto exchange as of June 13, citing pressures from the U.S. Securities and Exchange Commission (SEC), which targeted the company with a major enforcement action this week.

In a tweet, the U.S. arm of Binance said it's temporarily transitioning to an all-crypto exchange, and the company said trading, staking, deposits and withdrawals in crypto remain fully operational.

USD deposits will be suspended as of June 9, and USD-based trading pairs will be de-listed shortly after, the exchange said

Binance's BNB coin remains stable at \$260.24. The token, which was accused of being a security by the SEC, is down 15% over the last week.

On Tuesday, the SEC filed for a temporary restraining order to freeze certain assets tied to Binance.US. The two are due back in court on June 13 regarding the matter — the same day Binance.US says it's transitioning to an all-crypto exchange.

Cardano Developer Rejects SEC Claim Its ADA Token Is a Security

Input Output Hong Kong (IOHK), the development company behind Cardano, responded to the SEC's allegations by asserting that ADA is a utility token and not a security. IOHK argues that ADA serves a specific purpose within the Cardano ecosystem, providing access to smart contract functionality and facilitating transactions on the network.

IOHK's rejection of the SEC's classification is based on the argument that ADA does not possess the characteristics typically associated with securities, such as ownership rights or the expectation of profit from the efforts of others. The company believes that ADA's utility nature aligns it more with commodities like Bitcoin and Ethereum, which have not been classified as securities by the SEC.



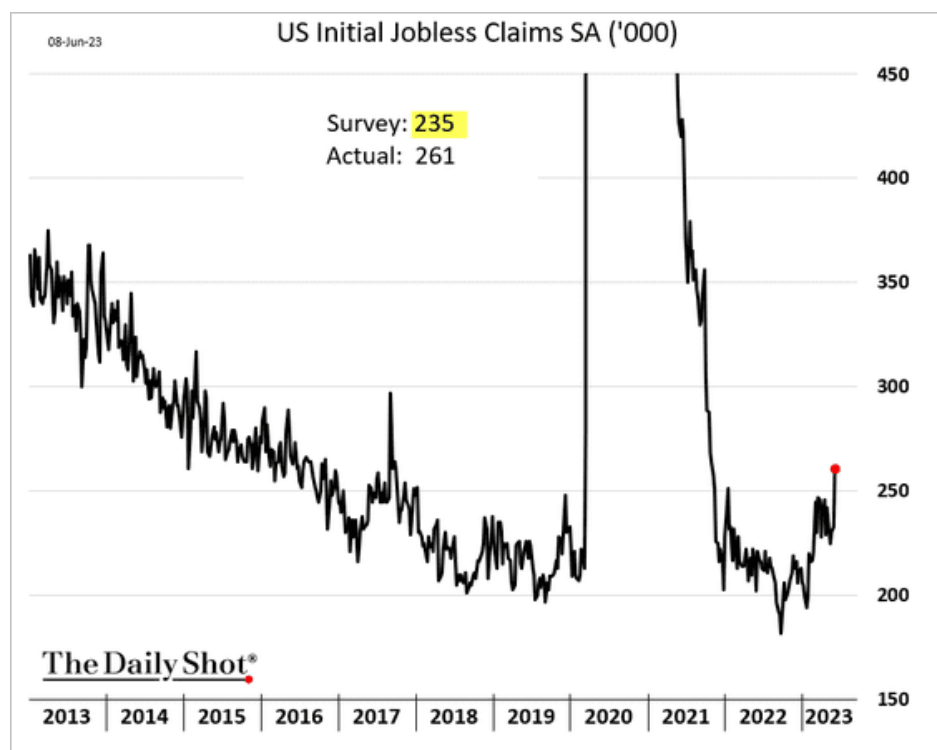
TradFi

The market squeezed yesterday as jobless claims exceeded estimates and jumped to the highest level since October 2021.

In light of the robust performance of the job market in recent times, it is expected that interest rates will remain elevated for an extended period.

However, if there is a temporary pause in this momentum, coupled with a rise in unemployment figures, it would instill confidence in the market regarding potential rate cuts on the horizon.

Consequently, the market witnessed a rally following the release of yesterday's report, as it reduced the likelihood of another rate hike at the upcoming Federal Reserve Meeting scheduled for June 14th.



The S&P 500 is demonstrating a consistent positive trend, poised to achieve its fourth consecutive week of gains, a feat not seen since last August.

As of Thursday's market close, the broader index has recorded a notable increase of nearly 0.3%.

Similarly, the Dow is on track to secure its second consecutive week of gains, a milestone not witnessed since April, with a modest uptick of 0.2%.

Conversely, the Nasdaq Composite is indicating a potential end to its impressive six-week winning streak, experiencing a marginal decline of 0.02%.

- SPX > 4,190 → Bullish
- SPX < 4,190 → Neutral
- SPX < 4,065 → Bearish



TradingView



TradingView



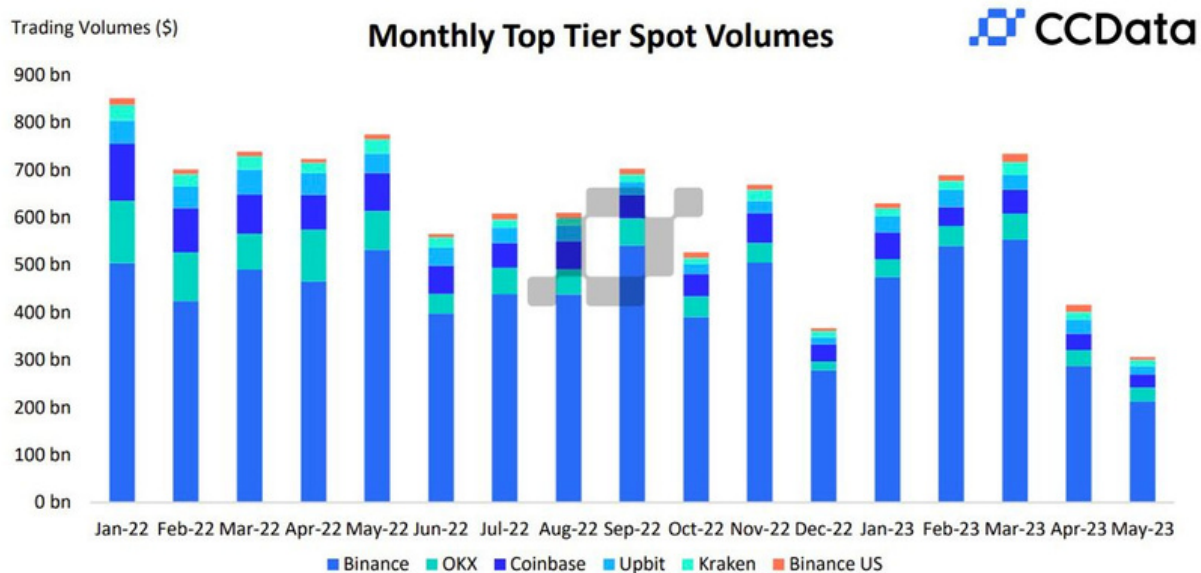
Bitcoin

During the month of May, the spot trading volume on centralized exchanges experienced a notable decline of 21.8%, amounting to \$495 billion.

This decrease in volume represents the lowest monthly spot trading activity recorded since March 2019.

This decline in spot trading volume indicates a significant shift in market dynamics and investor sentiment during the specified period.

It is crucial to note that market conditions, regulatory changes, and other external factors may have contributed to this decline.



Given the recent strength of the stock market, it is very possible that Bitcoin will rebound from here as it has been lagging the overall stock market for a while now.

The recent regulatory news clearly hasn't helped the industry but given the rise of liquidity in the financial markets, we should expect some of it to flow towards cryptocurrencies.

- BTC > 28,500 → Bullish
- BTC < 28,500 → Neutral with a bearish bias
- BTC < 25,250 → Bearish



Bitcoin



Ethereum

On Thursday, Ethereum developers reached a consensus on the comprehensive details of the impending network upgrade, named "Dencun." This upgrade, referred to as a hard fork, is scheduled for later this year and encompasses the incorporation of five Ethereum Improvement Proposals (EIPs). The primary objective of these EIPs is to enhance data storage capacity and alleviate transaction fees on the network.

Central to this upgrade is EIP-4844, commonly recognized as proto-danksharding. This feature aims to optimize the scalability of the blockchain by expanding the available storage capacity for data "blobs." Consequently, it is anticipated that this expansion will result in reduced gas fees for layer 2 rollups, thus promoting more cost-effective and efficient transaction processing.

The unanimous agreement among Ethereum developers signifies a significant milestone in the ongoing evolution of the network, paving the way for substantial enhancements in data management and transactional affordability.

Looking at the chart, ETHUSD remains in a tight trading range between 1780 and 1925. As long as prices remain above the rising trend line on the intraday time frame, we should see higher prices towards 1925. On the daily chart, we need to wait for a clear breakout of the 50-day moving average for the bulls to take control.

- ETH > 1890 → Bullish
- ETH < 1890 → Neutral with a bearish bias
- ETH < 1710 → Bearish



Ethereum

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Altcoin Analysis - Cardano (ADA)

The ADA price fell 3% in the past 24 hours as tokens named in the SEC lawsuit extended their sell-off as traders reacted to regulatory risk.

It remains to be seen how this disagreement will be resolved and what impact it will have on Cardano's operations and the regulatory treatment of ADA.

ADA/USDT - On the daily chart, price has been trading in an upward trend line since its low Dec '22. This has now failed to hold as the SEC lawsuit causes uncertainty in the market. Price is likely to balance this sell-off with a retracement back up, where we will anticipate the resistance at 0.3537 to provide an opportunity for short positions.

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