JUNE 8 - 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	1.46%	1.46%	0.16%	59.26%
Ethereum	1,710	1,780	1,930	1,995	0.84%	1.00%	2.87%	54.33%
S&P 500	4,120	4,190	4,315	4,390	0.08%	1.18%	3.40%	6.30%
Nasdaq	13,900	14,250	14,850	15,275	0.45%	-0.31%	7.50%	31.57%
US Dollar Index	101.70	102.55	104.30	105.30	-0.56%	-0.11%	1.39%	1.77%

Next FOMC meeting: June 14 2023.

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

BITCOIN

Price: $26,460

Change (24hrs): -0.45%

Trading Volume (24hrs): -43%

Funding rate: 0.0054% (-18%)

ETHEREUM

Price: $1,852

Change (24hrs): 0%

Trading Volume (24hrs): -36%

Funding rate: 0.0077% (0%)

Latest Digital Asset News

Binance Lawyers Say SEC Chair Gensler Applied for Advisor Role

The allegation comes as a surprise, considering not just the ongoing lawsuit, but Gensler's continuous crackdown on the crypto industry.

Documents filed for the lawsuit by the SEC Wednesday indicate the accusation from Gibson Dunn and Latham & Watkins, two of Binance's law firms. According to them, Gensler offered to serve as an advisor to the crypto exchange in March 2019. Conversations are said to have occurred with Binance and founder Changpeng Zhao, as well as executives of the exchange. He eventually met Zhao in Japan for lunch later that month, the filing adds.

The attorneys say that Zhao continued to stay in touch with Gensler after the March meeting. Also, at the future SEC chair's request, Zhao sat down for an interview with Gensler as part of a cryptocurrency course he taught at MIT.

Later in 2019, the filing reads, Gensler was set to testify before the House Financial Services Committee. It is alleged that he sent Zhao a copy of his intended testimony ahead of the hearing.

FCA to roll out stricter rules for crypto ads including referral bonus ban

Advertisers of crypto services will face tougher rules in the UK from October 8, the Financial Conduct Authority announced yesterday.

Crypto companies must introduce a "cooling-off period" for first-time investors from October 8. Firms in the sector must also scrap "refer a friend" bonuses, which will be banned as part of a package to ensure crypto investors understand risk properly, the FCA said.

The FCA said in its announcement yesterday that the steps taken today to tackle crypto ads are consistent with the restrictions introduced last year for advertising high-risk investments.

DeFi Unfazed by SEC's Classification of Tokens as Securities

In separate filings on Monday and Tuesday, the SEC charged Binance and Coinbase (COIN) with selling unlicensed securities in the country.

The charges came despite a lack of regulatory clarity from the regulator on whether crypto tokens can be considered securities. The SEC has not given any official legal definitions to token issuers and is yet to respond to a petition from Coinbase seeking clear rulemaking definitions.

DeFi avenues remain unfazed, at least as of Thursday. Data shows value locked on Cardano, Solana and BNB Chain networks fell just over 5% in the past week – in line with a broader market decline. These declines hovered at just over 1% on a monthly basis.

The Petrodollar and Its Discontents Point to Bitcoin's Role in the Financial Future

Bitcoin is becoming more relevant in the context of the petrodollar system and its potential implications for the future of finance.

The petrodollar, which denotes the US dollar's dominance in global oil trade, is facing discontent and potential disruption due to geopolitical shifts and the emergence of digital currencies. Bitcoin, being decentralized and borderless, presents itself as a formidable contender to challenge the petrodollar system.

Bitcoin's unique attributes such as its limited supply, robust security, and global accessibility, has gained acceptance and adoption across industries, including its role in facilitating international trade and remittances. This makes it an attractive alternative to traditional fiat currencies and the petrodollar.

Bitcoin could significantly impact the future financial landscape by challenging existing systems and fostering a more decentralized and inclusive global financial ecosystem.

TradFi

The stock futures showed minimal change on Thursday, as market participants eagerly anticipate the next catalyst.

With earnings reports concluded and the resolution of the debt ceiling issue, attention now turns to the upcoming Federal Reserve meeting next week on June 14th.

Upon examining the equity futures, it is observed that both the S&P500 and Nasdaq have retraced from the upper bounds of their ascending wedge patterns.

While a temporary recovery may occur given the sharp decline, our overall perspective is that the US indices will likely continue to decline towards their respective 20-day moving averages which is 1.6% away for the S&P500 and around 2.4% away for Nasdaq.

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

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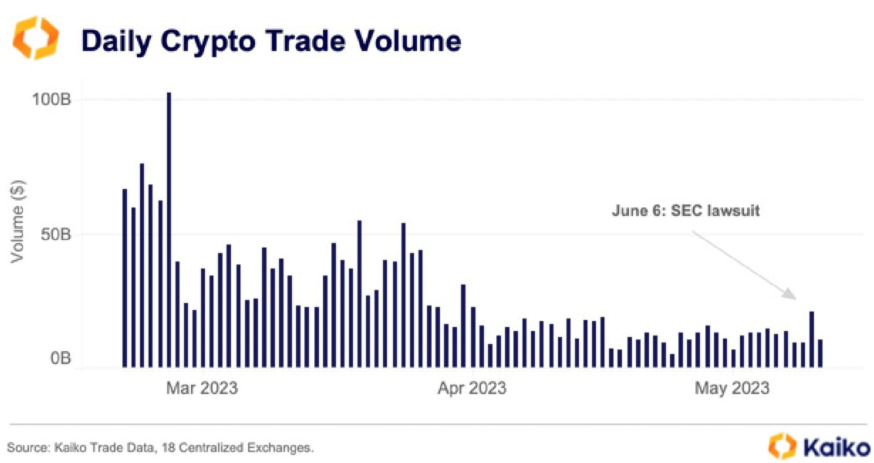
TradingView

Bitcoin

In recent times, the Securities and Exchange Commission (SEC) has made significant announcements that have had a notable impact on the short-term volatility of both Bitcoin (BTC) and Ethereum (ETH). Notably, BTC's 20-day volatility has exceeded that of ETH, marking the first instance since March where BTC has exhibited higher volatility levels compared to ETH.

This development in the cryptocurrency market has triggered a surge in daily trade volume, reaching its highest level since April. The trading activity has surpassed $21 billion, indicating heightened market participation. Additionally, the increased volatility has also led to a significant rise in liquidations, totaling approximately $400 million.



From a technical perspective, BTCUSDT continues to trend lower. On an intraday basis, the 27,600 resistance is an important one that is located right at the top of the previous trading range. Expect more volatility and sideways price action between the pivot low near 25,250 and 27,600.

Looking at the daily chart, as long as prices remain capped by this declining trend line as well as the 50-day moving average, then we should expect further downside towards 25,250 and 24,000 in extension.

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

Bitcoin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Bitcoin / TetherUS, 4h, BINANCE +13.01 (+0.05%)
Bitcoin - 4H timeframe
USDT
30500.00
30000.00
29550.00
29200.00
28800.00
28500.00
28000.00
27600.00
27103.24
26921.63
26772.82
BTCUSDT
26445.01
26354.67
26000.00
25800.00
25600.00
25250.00
24800.00
75.00
46.92
25.00
500.00
17.99
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3
10
17
24
May
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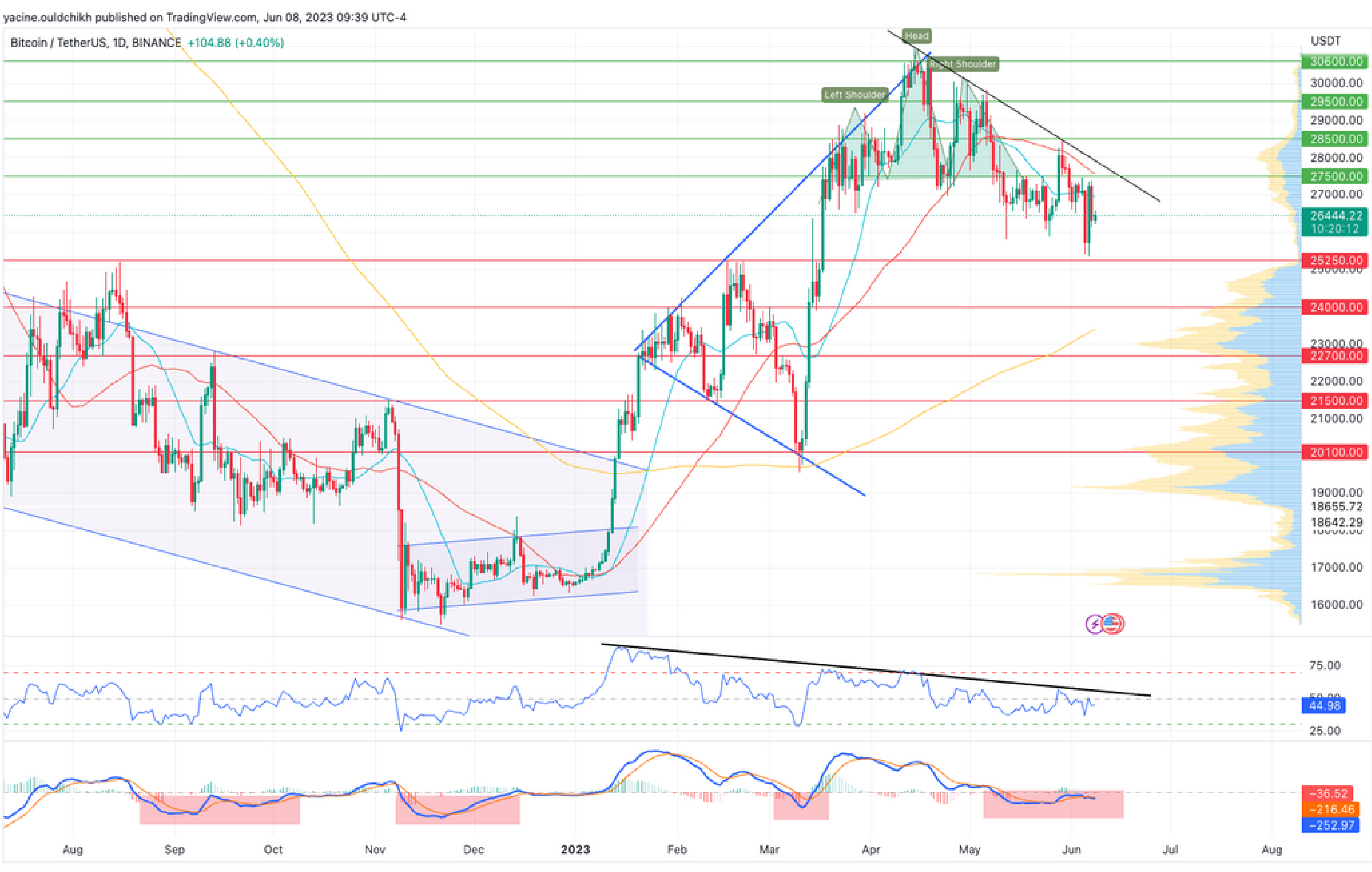
TradingView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Bitcoin / TetherUS, 1D, BINANCE +104.88 (+0.40%)
Head
Right Shoulder
Left Shoulder
USDT
30600.00
30000.00
29500.00
29000.00
28500.00
28000.00
27500.00
27000.00
26444.22
25250.00
24000.00
22700.00
22000.00
21500.00
21000.00
20100.00
19000.00
18655.72
18642.29
17000.00
16000.00
75.00
44.98
25.00
-36.52
-216.46
-252.97
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TradingView

Ethereum

ETHUSDT is trading in a choppy fashion just like BTCUSDT.

The #2 cryptocurrency looks slightly better than BTC right now as the former has been posting higher lows on an intraday basis while BTC broke to new lows on the same 4h timeframe.

ETHBTC is approaching an important level of 0.071.

A break above this level would indicate a period of outperformance for ETH vs. BTC.

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

Ethereum

yacine.ouldchikh published on TradingView.com, Jun 08, 2023 10:01 UTC-4
Ethereum / TetherUS, 1D, BINANCE +12.88 (+0.70%)
USDT
2150.00
2100.00
1995.00
1930.00
1900.00
1845.01
1780.00
1710.00
1600.00
1570.00
1500.00
1475.00
1400.00
1365.00
1300.00
1200.00
1100.00
1000.00
75.00
48.66
25.00
2.59
-1.74
-200.00
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TradingView

yacine.ouldchikh published on TradingView.com, Jun 08, 2023 10:01 UTC-4
Ethereum / Bitcoin, 1D, BINANCE +0.00039 (+0.56%)
BTC
ETH / BTC
Fed support
Shapella upgrade
0.08200
0.08000
0.07800
0.07600
0.07400
0.07200
0.07100
0.06995
0.06800
0.06600
0.06400
0.06200
0.06000
0.05800
80.00
61.79
40.00
20.00
0.00074
0.00070
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TradingView

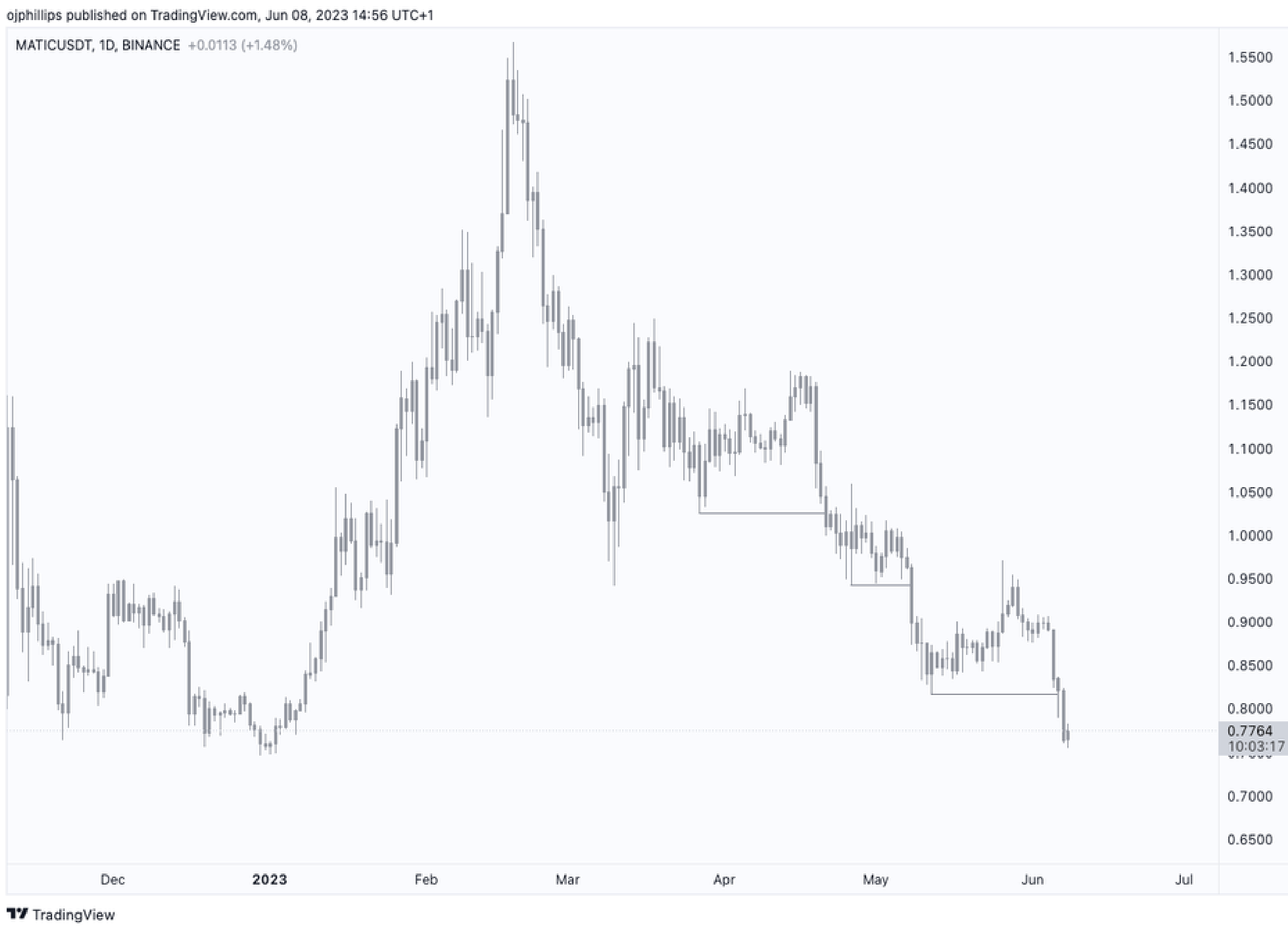
Altcoin Analysis

The United States House of Representatives Energy and Commerce Committee's Subcommittee on Innovation, Data and Commerce gathered to discuss blockchain technology and the future of Web3 on June 7.

This meeting was held just after the SEC announced back-to-back lawsuits against major crypto exchanges Binance and Coinbase. Polygon Labs president Ryan Wyatt and several legal experts, appeared before the committee to engage in what transpired to be a constructive dialogue.

Wyatt began by addressing the fundamental problem blockchains solve — the "value extraction" problem on the internet. He explained that in the current era of the internet — commonly called "Web2" — large centralized tech companies extract value from users by charging fees for goods and services and collecting user data for their benefit.

Polygon Labs exec said the U.S. could maintain its competitive edge and ensure the technology industry thrives domestically: "When regulation does not meet novel technology where it is, the U.S. loses its competitive edge over other countries."



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