



JUNE 7 - 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	4.04%	4.04%	-0.62%	61.61%
Ethereum	1,710	1,780	1,930	1,995	2.52%	0.43%	0.32%	55.75%
S&P 500	4,120	4,190	4,315	4,390	0.32%	2.82%	3.87%	4.42%
Nasdaq	13,900	14,250	14,850	15,275	+0.28%	2.51%	9.34%	33.41%
US Dollar Index	101.70	102.55	104.30	105.30	-0.36%	-0.11%	2.30%	1.74%

Next FOMC meeting: June 14 2023.

- Probability of a 0bps hike → 77%
- Probability of a 25bps hike → 23%



BITCOIN

Price: \$26,790

Change (24hrs): +4%

Trading Volume (24hrs): +16.5%

Funding rate: 0.0066% (+52%)



ETHEREUM

Price: \$1,862

Change (24hrs): +2.5%

Trading Volume (24hrs): +4%

Funding rate: 0.0078% (-36%)



Latest Digital Asset News

SEC Sues Coinbase

The lawsuit alleges that Coinbase's proposed lending product, called "Lend," qualifies as a security and should be registered with the SEC.

Coinbase had planned to allow users to earn interest on their cryptocurrency holdings through Lend, but the SEC argues that the product violates securities laws.

The lawsuit marks a significant legal challenge for Coinbase and raises questions about the regulatory framework surrounding crypto lending services. It highlights the ongoing regulatory scrutiny faced by exchanges and their efforts to navigate compliance with securities laws.

SEC Sues Binance

The SEC alleges that Binance and CZ did not effectively separate the US company from the US exchange it was spun off from. While Binance.US claimed to restrict customers from transacting on Binance.com, the SEC claims that Binance secretly allowed high-value US customers to continue trading on the platform.

The SEC also alleges that Binance.US illegally offered commodity derivatives to US customers without proper registration. The complaint includes evidence suggesting that Binance leadership knowingly violated US regulations.

The SEC further claims that assets were diverted to a separate entity owned by CZ, called Sigma Chain, for wash-trading purposes, artificially inflating Binance.US trading volume.

Binance has stated that it respectfully disagrees with the allegations, actively cooperated with the SEC's investigation, and intends to vigorously defend its platform.

Binance believes that the SEC's actions are limited in reach since it is not a US exchange and criticises the agency's enforcement approach, asserting that user assets on Binance.US were never at risk.

SEC files motion to freeze cryptocurrency held by Binance, Binance.US, CZ

The SEC's order aims to halt Binance's activities specifically in the United States, alleging that the exchange conducted unregistered securities offerings.

The SEC argues that Binance failed to comply with the necessary disclosure requirements and provide investors with essential information.

This initial step by the SEC allows for further investigation into the allegations. The action against Binance underscores the growing regulatory scrutiny faced by cryptocurrency exchanges and emphasizes the importance of adhering to securities laws, particularly within different jurisdictions, to ensure compliance.

Cathie Wood's ARK Buys \$21.6M Coinbase Shares as SEC Suit Sends COIN Prices Tumbling

Cathie Wood's investment firm, ARK Invest, has purchased \$21.6 million worth of Coinbase shares amid a drop in the price of cryptocurrencies caused by a lawsuit filed by the Securities and Exchange Commission (SEC).

The SEC's suit against Coinbase has resulted in a decline in the value of various digital currencies. Despite the ongoing legal issues, Wood's firm seems to view this as an opportunity to invest in Coinbase at a discounted price. This move demonstrates Wood's confidence in the long-term potential of the cryptocurrency exchange, despite the current market volatility.

Coinbase (COIN) is down 15% in premarket trading after the SEC sued the exchange, alleging multiple securities law violations. It is now trading below \$50.00.



TradFi

China's exports experienced a significant decline in May, surpassing expectations. The data showed a plunge of 7.5% to \$283.5 billion in comparison to the previous year's figure of -0.4%.

The unexpected drop in exports indicates a challenging economic environment for China which is known as the world's largest exporter. This decline could be attributed to various factors, including global supply chain disruptions, weakening demand in key markets, and ongoing trade tensions with other countries. The sharp decline in exports may have implications for China's economic growth and overall trade balance. Additionally, it may prompt policymakers in China to consider implementing measures to stimulate domestic consumption and diversify the economy's reliance on exports.

Upcoming:

- Wednesday: CAD interest rate decision
- Thursday: US Unemployment Claims

China's total exports change, year-on-year



The equity futures are exhibiting a stable trend at the start of the trading day. The notable resilience of this market, particularly Nasdaq, in avoiding a decline can be viewed as highly optimistic. Following a remarkable upward trajectory, it is customary to anticipate a market correction. However, it is evident that this market is demonstrating a unique trajectory and exhibiting independent behavior.

A relatively low volume of economic data persists as we approach the Federal Reserve policy meeting scheduled for June 14th, which is of great interest to the market in general.

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

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S&P 500 E-mini Futures, 4h, CME +8.25 (+0.19%)

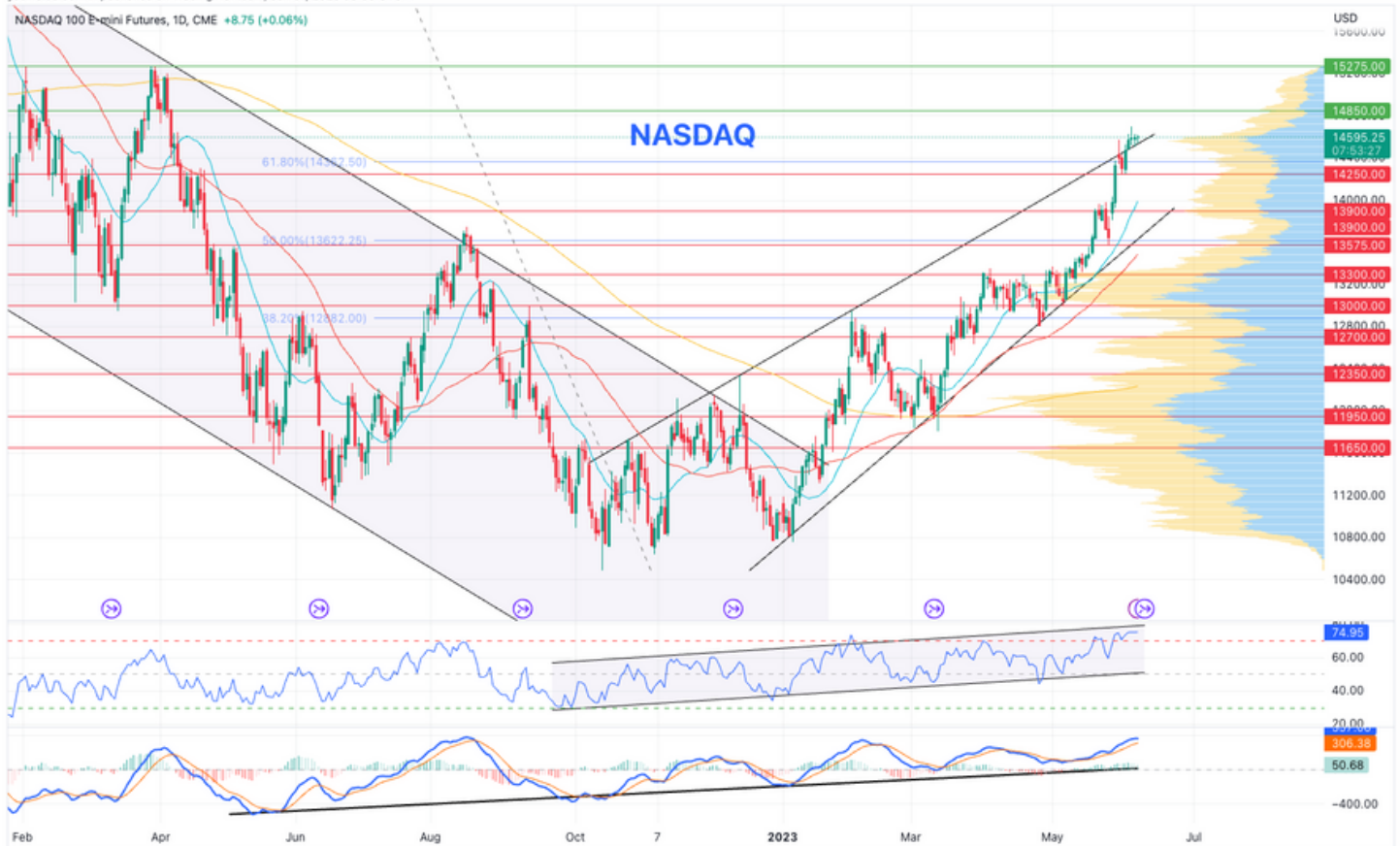


TradingView





TradingView



TradingView



Bitcoin

Following the news that the SEC is suing Binance, investors have pulled out a net outflow of \$790 million from the top crypto exchange and its US arm, according to research firm Nansen.

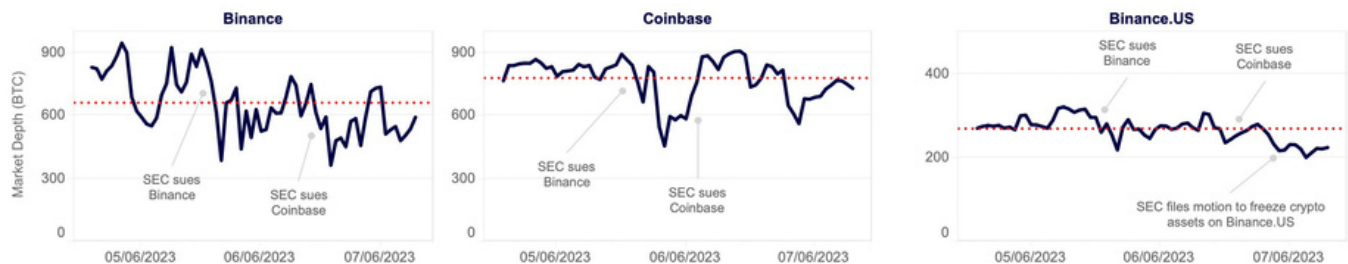
The 1% market depth of Bitcoin, representing the available buy and sell orders within a certain price range, has shown a significant recovery on leading cryptocurrency exchanges such as Coinbase, Binance, and Binance.US. This recovery comes after a notable decline that occurred when the market depth was slashed by 50% following the recent announcements.

The revival of Bitcoin's market depth on these platforms represents a positive development for the cryptocurrency ecosystem. It highlights the resilience of Bitcoin and the broader market, underscoring the ability to overcome significant fluctuations and regain stability. This recovery not only instills confidence in existing market participants but also attracts new investors who seek opportunities in the ever-evolving world of digital assets.



Bitcoin Market Depth

bids and asks within 1% of the mid price, btc-usd/t pairs



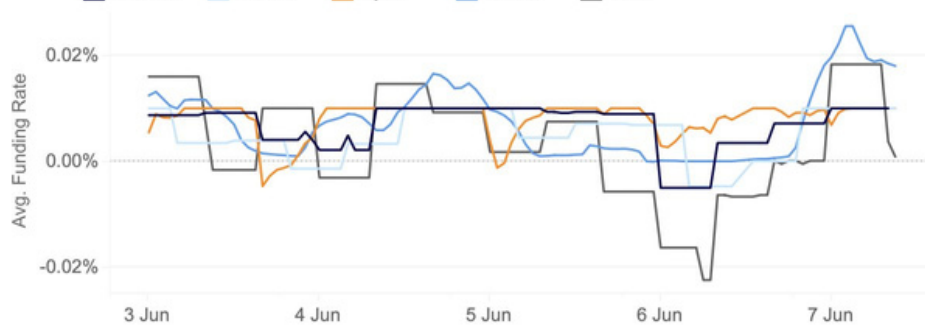
Source: Kaiko order book data.

Kaiko



Bitcoin Perpetual Futures Funding Rate

■ Binance ■ Bitmex ■ Bybit ■ Derbit ■ OKX



Source: Kaiko derivative data.

Kaiko

BTCUSDT has recovered significantly from the lows of yesterday's session. As expected, we witnessed a surge back towards the previous trading range between 26,300 and 27,600.

Looking at the daily chart, we surged towards the 50-day moving average and then pulled back from that level, indicating that the level located near 27,500 is acting as resistance in the short term.

- 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 -121.93 (-0.45%)



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Bitcoin / TetherUS, 1D, BINANCE -468.00 (-1.72%)



TradingView



Ethereum

On an intraday basis, ETH rebounded by 5% off the rising trend line that we shared yesterday, as expected.

Just like BTC, we are trading back at the previous range with no clear direction yet.

ETHBTC has pulled back right off the resistance level of 0.071 that we've been tracking for quite some time now.

We should expect further sideways action between 0.067 and 0.071.

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



Ethereum

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TradingView



Altcoin Analysis

Binance Coin was at the top of our watchlist this morning due to the ongoing investigation into the allegations made by the SEC. With growing regulatory scrutiny, BNB/USD has experienced a ~13% price drop. BTC has recovered well and is only down ~3% since, on the other hand, BNB has sustained at the lows caused by the SEC news and has been seeking lower prices.

\$6.5 million of BNB trading positions were wiped out as the token fell sharply. As price broke the daily lows - many buy orders at these levels were taken out - causing a more aggressive sell off.

The RSI is vastly over-sold, suggesting an influx of buyers could step in. Short-term, a move up to the highlighted resistance zone between \$302.6 - \$308.7 is likely.

Once price reaches this zone, a long-term sell opportunity could be interesting, which will be backed by the volume point of control, to join price in its established downtrend.



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