



MAY 26 - 2023

DAILY MARKET REPORT



SECURE
DIGITAL MARKETS

Institutional research.

Markets Insights

	S2	S1	R1	R2	24HR %	7D %	30D %	YTD %
Bitcoin	24,000	25,250	28,500	29,500	0.36%	0.36%	0.07%	59.88%
Ethereum	1,570	1,710	1,995	2,150	0.93%	0.15%	-4.04%	51.96%
S&P 500	4,065	4,113	4,230	4,315	0.20%	-1.11%	0.39%	2.30%
Nasdaq	13,300	13,575	14,300	14,850	0.30%	0.98%	5.92%	27.41%
US Dollar Index	100.35	101.70	104.30	105.30	-0.16%	-0.11%	2.28%	2.12%

Next FOMC meeting: June 14 2023.

- Probability of a 0bps hike → 59%
- Probability of a 25bps hike → 41%



BITCOIN

Price: \$26,445

Change (24hrs): +0.10%

Trading Volume (24hrs): -38%

Funding rate: 0.0099%



ETHEREUM

Price: \$1,816

Change (24hrs): +0.60%

Trading Volume (24hrs): -37%

Funding rate: 0.0045%



Latest Digital Asset News

1- Milady NFTs Get Dogecoin Treatment as Prices Retrace Days After Elon Musk Tweet

There have been discussions regarding the recent fluctuation in prices of a type of digital collectible called "Milady NFTs" following a tweet by Elon Musk. These NFTs, which feature images of women, saw a surge in value after Musk mentioned them on social media, but their prices have since retraced. Additionally, Milady NFTs are now being associated with Dogecoin, another cryptocurrency favored by Musk.

2- Ether Balance on Exchanges Nears All-Time Low

the balance of Ether (ETH) held on cryptocurrency exchanges is approaching an all-time low. This means that there is a decreasing amount of ETH available for trading on exchanges. This trend may indicate a shift in investor behavior, as more individuals are opting to hold their ETH in personal wallets rather than keeping them on exchanges. This reduction in available ETH for trading could potentially impact market liquidity and contribute to price volatility.

3- Bitcoin's Declining Correlation With Stocks Revives Its Appeal for Investors: K33 Research

Bitcoin's declining correlation with traditional stocks might be attracting investors. The research report by K33 Research points out that Bitcoin's correlation with the stock market has significantly weakened in recent times. This decreasing correlation is seen as a positive development for investors who are looking to diversify their portfolios and reduce overall risk. The report suggests that Bitcoin's newfound independence from stock market movements enhances its appeal as a separate asset class. This divergence from stocks provides investors with an opportunity to hedge against market volatility and potentially achieve higher returns. Overall, the report emphasizes Bitcoin's evolving role as a valuable investment option due to its reduced correlation with stocks.



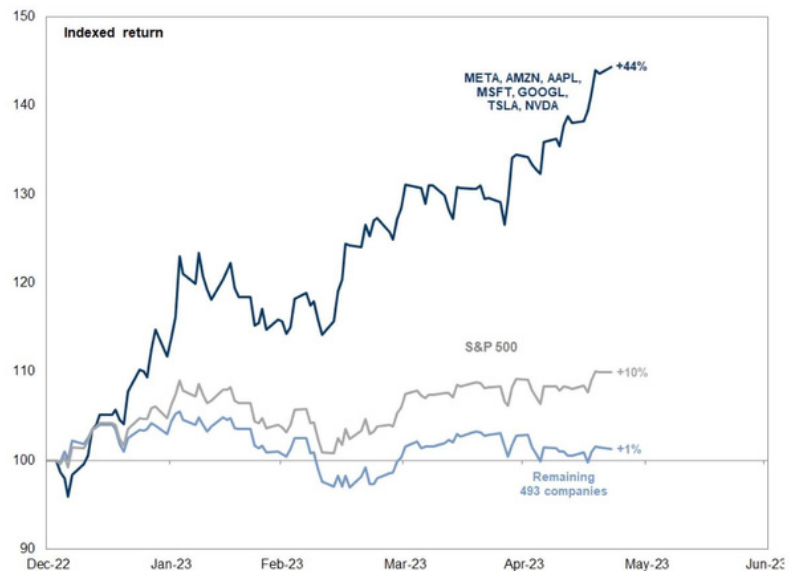
TradFi

Equity futures experienced a modest upturn on Friday as the market attentively observed the ongoing debt ceiling discussions in Washington.

House Speaker Kevin McCarthy departed the Capitol on Thursday evening, indicating that an agreement had not yet been solidified. Nevertheless, insiders have informed CNBC that the White House and McCarthy are nearing a consensus that would result in a two-year increase in the U.S. debt ceiling.

According to a report issued by Bank of America on Thursday, inflows into U.S. equities this year have remained stagnant amidst concerns of a potential recession and ambiguity surrounding monetary policy. The bank detailed that investors offloaded nearly \$4 billion in stocks last week, causing the overall flows to level off. In contrast, cash funds experienced an influx of \$23.1 billion last week, pushing the total year-to-date flows to \$756 billion.

Nasdaq has been on a tear recently while the S&P500 hasn't budged much. The only other times when the tech sector surged over 4% while overall stocks declined were at the onset and in the middle of the Tech Bust in April 2000 and March 2001. As much as the market is clearly bullish, it's important to keep track of potential risks that may affect your portfolio.



Given the recent rise in Nasdaq, we have raised our closest support level to 13,575 to match the recent pivot low as well as the 20-day moving average.





TradingView



TradingView



Bitcoin

BTCUSDT has been struggling to keep up with the stock market especially with the US dollar on the rise.

Since the end of April, volume dropped by over 60% while the 30-day average of trading volume reached its lowest point since the start of the year.

There is clearly less interest amongst market participants.

While the spot market was leading the way earlier this year, it is now lagging behind the futures market as the market has become more short-term in its directional views.



BTCUSDT recently rebounded right off the support level of 25,900 that we've been tracking for a while now. We continue to post lower highs and lower lows which is a negative sign and might indicate that this support could potentially be broken to the downside soon.

On the daily chart, as long as prices remain below the 20-day moving average (blue line near \$27,000) while the RSI is capped by this declining trend line, then it's best to stay on the sidelines and prepare limit orders at lower levels between \$25,000 and \$24,000.



- BTC > 27,000 → Bullish
- BTC < 27,000 → Neutral with a bearish bias
- BTC < 25,250 → Bearish

yacine.ouldchikh published on TradingView.com, May 26, 2023 08:20 UTC-4



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TradingView



Ethereum

The amount of Ethereum coins on exchanges has dropped significantly. There are only 16.1m coins left on exchanges and this number has declined by 50% from the all time high, reaching a 5-year low.

ETHUSD is continues to trade in a tight range between 1710 and 1890 with no clear direction in sight. As long as the technical indicators aren't showing any signs of improvement and prices remain below its 50-day moving average then the trend is more bearish than bullish.

ETHBTC looks like it might breakout soon which would open the door for a period of outperformance vs. BTC. We need to wait for confirmation which is when this ratio breaks above 0.071.

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





TradingView



TradingView





Altcoin Analysis

Polygon confirmed the breakout.

MATICUSDT finally broke above the declining trend channel as well as the 20-day moving average on increased trading volume, thus confirming the breakout. Since May 21st, trading volume surged by over 100%.

As long as prices remain above \$0.87, we should expect further upside towards the session high of \$0.973 and possibly \$1.06.



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