APRIL 18 - 2023

DAILY MARKET REPORT

SECURE DIGITAL MARKETS

Institutional research.

OVERVIEW

Markets Insights

	S2	S1	R1	R2	24HR %	7D %	30D %	YTD %
Bitcoin	26,600	28,450	31,800	33,000	3.27%	-2.12%	8.25%	77.80%
Ethereum	1,825	1,915	2,150	2,300	2.21%	8.94%	15.72%	78.83%
Nasdaq	12,350	12,700	13,700	14,300	0.28%	0.61%	4.13%	16.16%
US Dollar Index	99.25	100.80	102.55	103.65	-0.03%	-0.13%	-1.14%	-1.40%

Next FOMC meeting: May 3rd 2023.

- Probability of a 0bps hike → 13%
- Probability of a 25bps hike → 87%
- Probability of a 50bps hike → 0%

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $30,418 representing a 3.46% increase the last 24 hours and 1.02% increase in trading volume. The funding rate of BTC is 0.0058%.

ETHEREUM

ETH is trading at $2,113 as of this writing, representing a 24-Hour increase of 2.06% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume decreased by 16.16%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- NY Financial Regulator Adopts Virtual Currency Assessment Rule

The New York Department of Financial Services, or NYDFS, has adopted a new regulation for how crypto companies will be assessed for costs associated with their supervision. The regulation will require companies to meet rigorous standards for capitalization, cybersecurity protection and anti-money-laundering protocols, NYDFS said in a statement Monday. “As the first prudential regulator of virtual currency in the nation, New York has created a framework that sets the highest standards for safety, soundness, and consumer protection while fostering responsible growth,” NYDFS Superintendent Adrienne Harris said. “This regulation provides the department with additional tools and resources to regulate the virtual currency industry now and in the future as innovators create new products and use cases for digital assets.”

2 - UAE Securities Regulator to Start Accepting License Applications From Crypto Firms

The federal securities regulator in the United Arab Emirates will start accepting applications from companies looking to provide crypto services in the country, according to a Monday announcement. All virtual-asset service providers in the country – except for companies that are already licensed in the UAE's financial-free zones – must apply for approval with the Securities and Commodities Authority. The licensing regime was approved by the SCA on Monday following a decision by the UAE Council of Ministers last year to regulate the crypto sector. The SCA took on the role of regulating the sector earlier this year.

3 - Individual behind $3.4B Silk Road Bitcoin theft sentenced to one year in prison

The United States Attorney’s Office for the Southern District of New York has announced the sentencing of an individual who pleaded guilty to wire fraud charges connected to “unlawfully obtained” Bitcoin from the Silk Road marketplace in 2012. The U.S. Justice Department said James Zhong was sentenced to one year and one day in prison for charges related to executing a scheme to steal more than 51,680 Bitcoin. Zhong pleaded guilty to the charges in November 2022 and has been awaiting sentencing.

(1) https://www.coindesk.com/policy/2023/04/17/ny-financial-regulator-adopts-virtual-currency-assessment-rule-nydfs-chief-harris/
(2) https://www.coindesk.com/policy/2023/04/18/uae-securities-regulator-to-start-accepting-license-applications-from-crypto-firms/?utm_content=editorial&utm_medium=social&utm_campaign=coindesk_main&utm_source=twitter&utm_term=organic
(3) https://cointelegraph.com/news/individual-behind-3-4b-silk-road-bitcoin-theft-sentenced-to-one-year-in-prison

OVERVIEW

TradFi

Earnings season is underway and that may very well impact the course of the financial markets. Johnson & Johnson and Bank of America both reported EPS and revenue beating expectations while Goldman Sachs missed its first-quarter revenue estimates on weak bond trading.

According to the latest CNBC all-America Economic Survey, a record 69% of the public carry pessimistic views on the economy, representing the highest percentage in the survey's 17-year history.

Stock futures rose this morning, lifted by first-quarter earnings results that topped Wall Street expectations, advocating that companies are faring better than feared in this tough economic environment. The S&P500 is about to break above an important technical pattern which should send the index to the next target of 4325.

Risk sentiment received a boost overnight after China reported promising growth data. 1Q GDP grew by 4.5 YoY, beating estimates of 4%, which shows that their recovery is on track.

2y and 10y yields are retracing this morning but are still trading at its highest levels in the month of April.

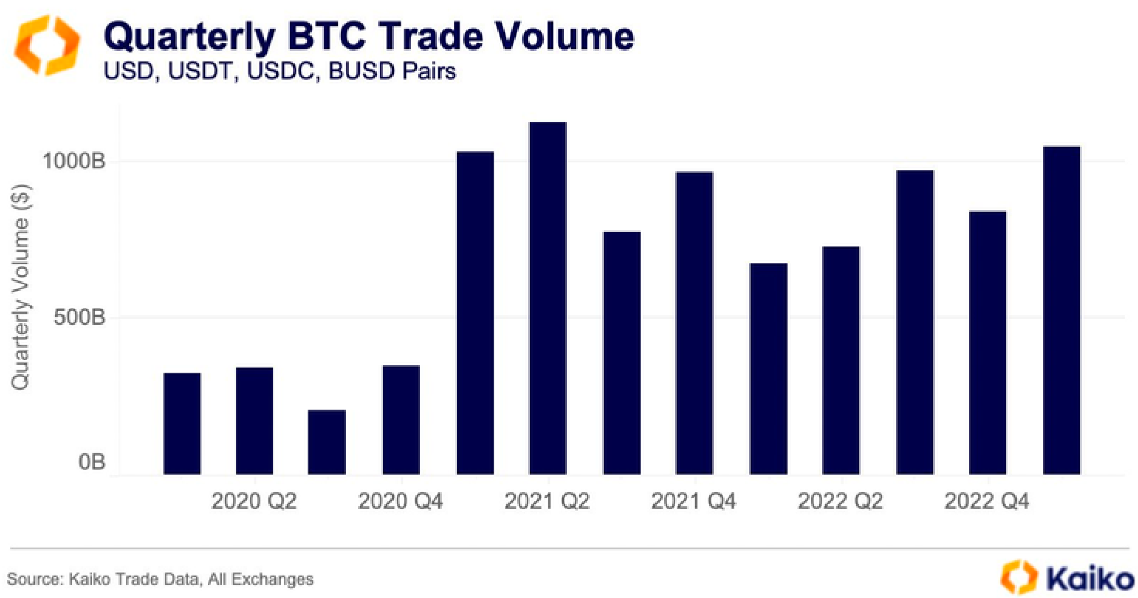
Upcoming:

- Tuesday →
    - CAD CPI
    - —Earnings: Bank of America, Goldman Sachs & Netflix
- Wednesday →
    - GBP & EUR CPI
    - —US Beige Book
    - —Earnings → Tesla, Morgan Stanley and IBM.
- Thursday →
    - US, EUR & GBP PMIs
    - Earnings: TSMC and American Express.

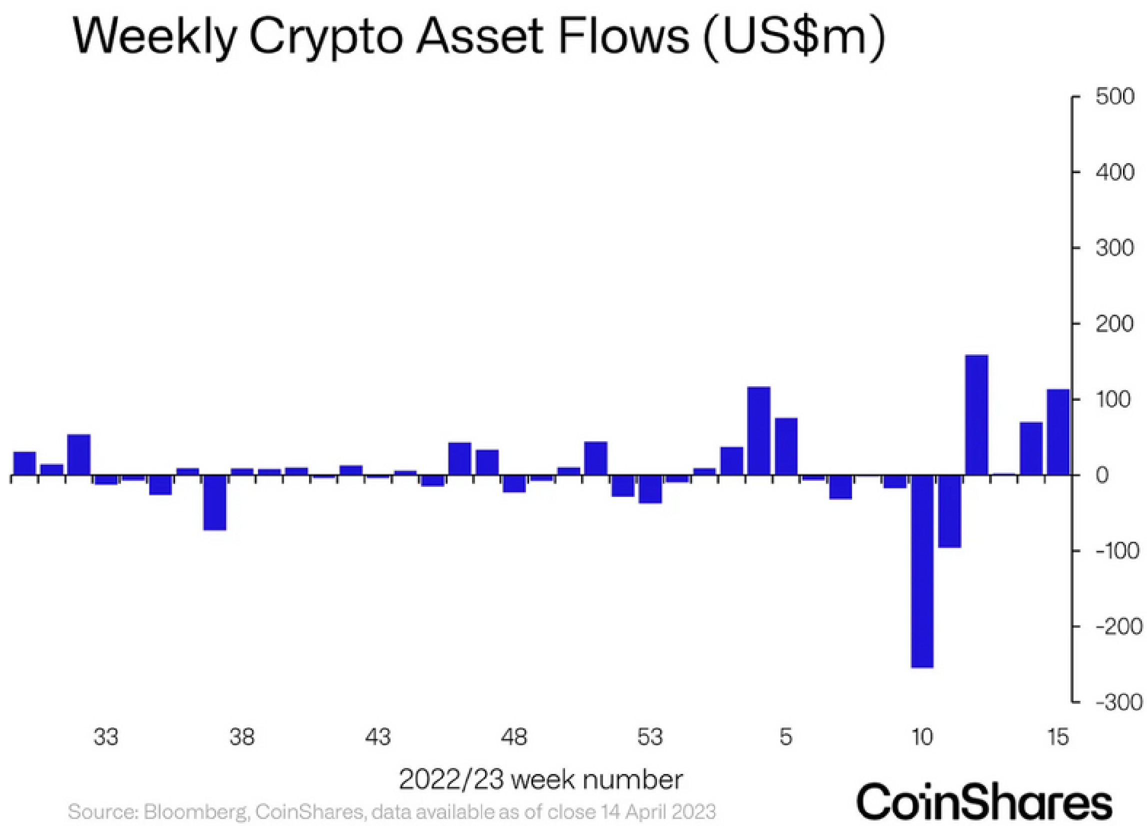
OVERVIEW

Bitcoin & Ethereum

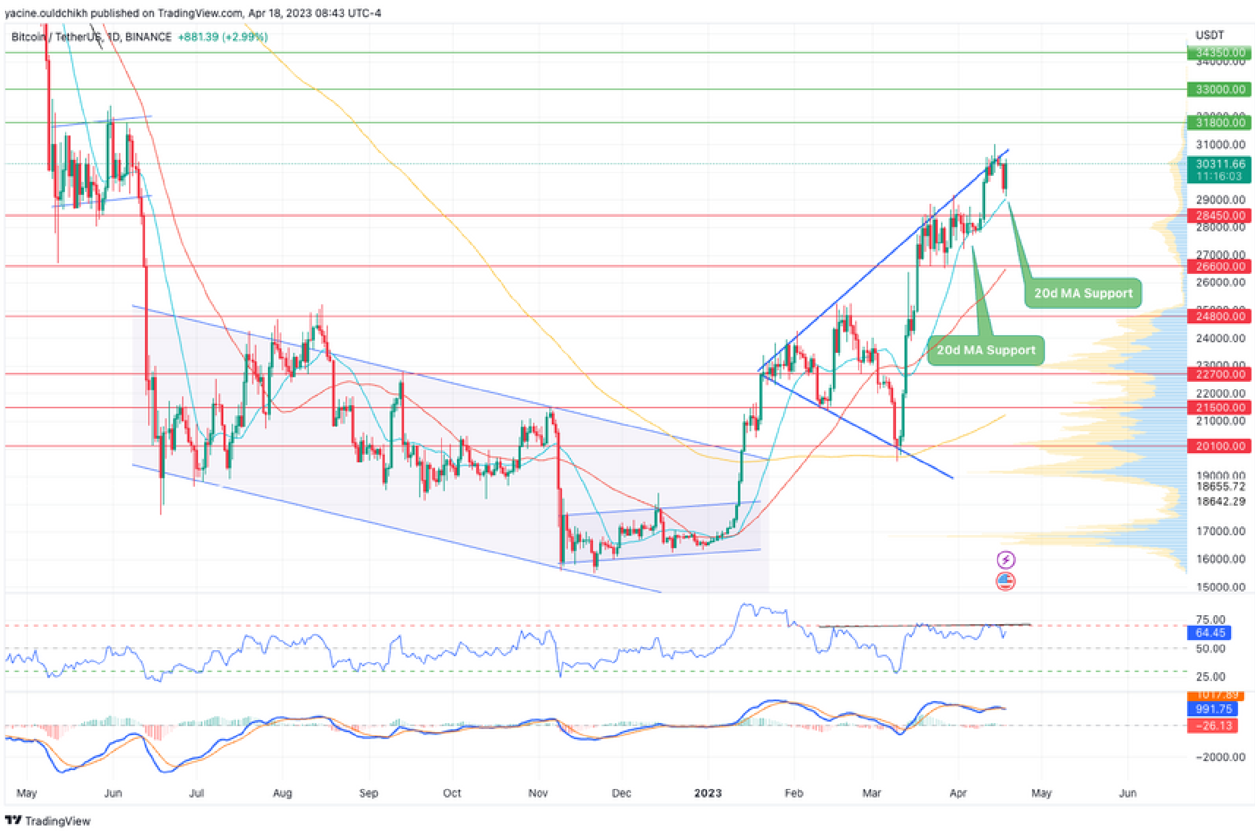
The recent quarterly trade volume of Bitcoin (BTC) has shown a remarkable milestone, surpassing the $1 trillion mark. This represents a significant increase in trading activity and liquidity for BTC, as it is the highest figure recorded since the second quarter of 2021. This data indicates a renewed interest and activity in the BTC market, reflecting the growing demand and adoption of this digital asset among investors and traders. The surge in trade volume suggests increased confidence and participation in the BTC market, as it continues to gain recognition as a legitimate investment option and a store of value.



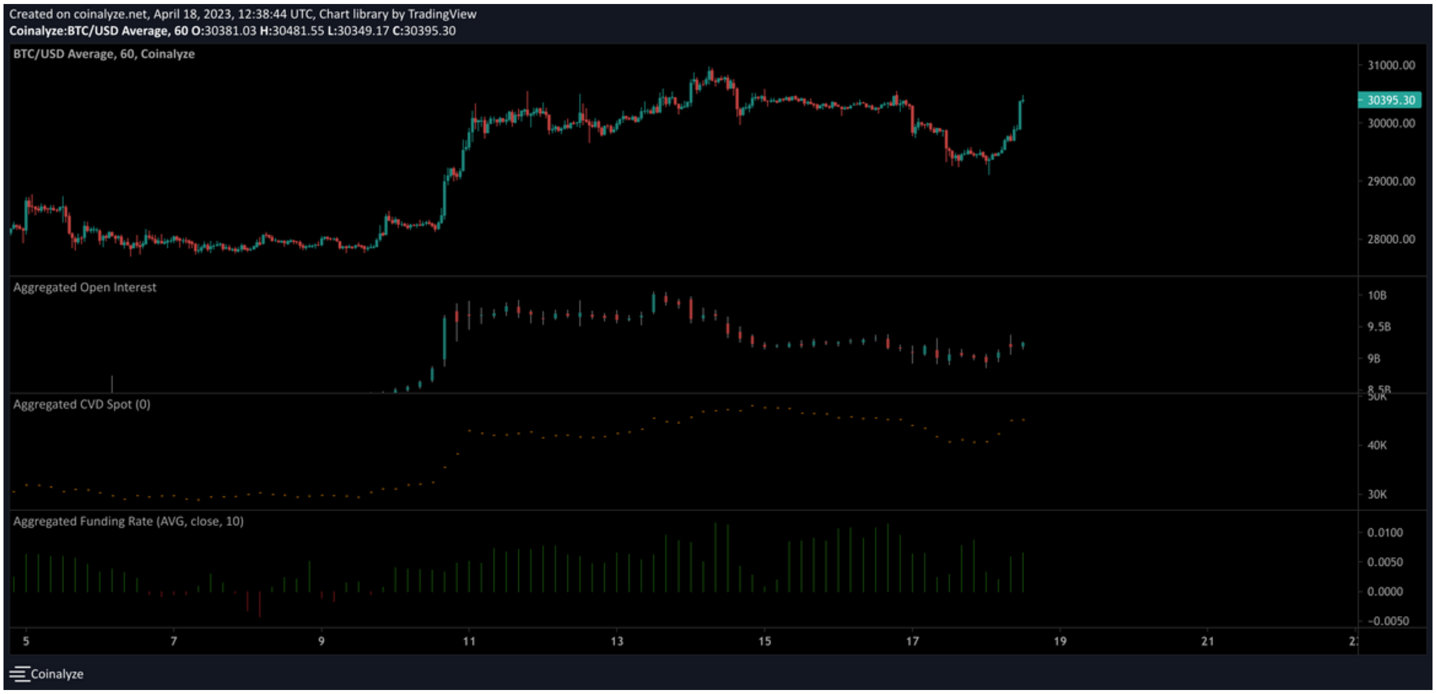
The digital asset investment market continues to show promising signs as evidenced by the recent influx of funds. Last week alone, there were significant inflows of $114 million, which has further boosted positive sentiment towards this asset class. Notably, this marks the fourth consecutive week of consistent inflows, with a cumulative total of $345 million. Bitcoin, in particular, has been a major attraction for investors, with an impressive inflow of US$104 million. This highlights the growing interest and confidence in Bitcoin as a viable investment option, with investors closely monitoring its performance. These consistent inflows reflect the increasing acceptance and adoption of digital assets as an investment avenue, as investors seek to diversify their portfolios and capitalize on the potential returns offered by this emerging asset class. The sustained growth in digital asset investment products is indicative of the maturing nature of the market, as more institutional and individual investors recognize the value and potential of digital assets in their investment strategies. As the digital asset market continues to evolve and mature, it will likely garner even more attention from investors, with Bitcoin and other digital assets playing a prominent role in shaping the future of investment opportunities.



Now for price action: BTC rebounded right off the 20-day moving average (blue line on daily chart) which has served as a very important support level since the start of the banking crisis. Every time prices get close from this level, we rebound right after. This will be important to track moving forward. If ever we do witness some pressure and prices break below this level, it is very possible to get back to $28.5k and possibly even $25k as there isn't a ton of volume being traded above $25k so the moves on the upside and downside can be quite aggressive. For now, there seems to be a wall of short-term resistance near $30.5k as offers in the order books keep piling up near this level which eventually drags prices lower.



Open interest has increased by 2% in the last 24hrs but remains lower compared to the end of the last week or the start of the weekend. Either investors are taking their profits or shorts are getting out of the way.



yacine.ouldchikh published on TradingView.com, Apr 18, 2023 08:40 UTC-4

TradingView

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Altcoin Analysis

Chainlink is grabbing everyone's attention.

In conventional finance, there has been limited availability and accessibility to certain financial products across different platforms and systems. The Chainlink Oracle addresses this challenge by leveraging advanced smart contracts to represent a wide range of financial products and monetary instruments, thereby increasing accessibility and inclusivity in the financial ecosystem.

The 19th ranked coin outperformed Bitcoin by 22% in the last 5 trading sessions. Recently, prices managed to break above a symmetrical triangle pattern, advocating for further upside. Despite the breakout, prices remain within the long-term trend channel that has been capping prices between $5.30 and $9.50. We are getting very close from breaking the infamous $9.50 resistance level which would send prices flying much higher towards $11, $12.3 and eventually $13.3.

Looking at the weekly chart, you can tell right away that prices have bottomed out, especially after prices recently broke above the 50-week moving average for the first time since January 2022. Even the technical indicators are confirming the bullish divergence with RSI finally above the neutral level of 50 and the MACD above its signal line and in positive territory.

LINKBTC is about to breakout which would open the door for a period of continued outperformance vs. BTC.

yacine.ouldchikh published on TradingView.com, Apr 18, 2023 09:10 UTC-4

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Daily Insights

1. How Does Apple Card’s New Savings Account Compare to Crypto?

https://blockworks.co/news/apple-card-savings-account-compare-crypto

“For those new to crypto, finding yields competitive to Apple’s savings product (4.15% APY), without taking degen-like risks, is a challenge — especially in a macro environment where 3-month Treasury bonds are at 5%. But the DeFi landscape is evolving fast, and consumer-focused offerings with low fees and features like built-in insurance are sure to follow.”

2. ETH Staking Deposits Surpasses Withdrawals For the First Time Since Shapella Upgrade

https://cointelegraph.com/news/eth-staking-passes-withdrawals-for-the-first-time-after-shapella-upgrade

“Over 1 million ETH has been withdrawn since the Shapella hard fork on April 12. However, a significant number of addresses have restaked their ETH. In the last 24 hours, the amount of staked ETH was 94,968 against 27,076 in withdrawals.”

3. Rocket Pool’s Atlas Upgrade Lowers Capital Requirements for ETH Stakers

https://twitter.com/gravitaprotocol/status/1648065587795599365

“Atlas adds several benefits to rETH (Liquid Staking Derivative) and NO's (Node Operators):

1. Increased protocol capacity (~300%+)
2. Solo validator to minipool conversion (without need to exit)
3. Increased rewards for minipools
4. Lower barrier to entry to become a node operator. Atlas brings the ability to create minipools with 8 or 16 ETH, increasing the overall scalability.”

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