MARCH 30 - 2023

DAILY MARKET REPORT

SECURE DIGITAL MARKETS

Institutional research.

OVERVIEW

Markets Insights

	S2	S1	R1	R2	24HR %	7D %	30D %	YTD %
Bitcoin	24,800	26,600	29,750	31,800	4.04%	1.38%	21.74%	71.40%
Ethereum	1,475	1,610	1,860	2,030	0.54%	-0.06%	10.60%	49.93%
Nasdaq	12,350	12,625	13,250	13,700	1.79%	2.20%	4.80%	13.95%
US Dollar Index	99.25	100.85	103.65	105.90	-0.02%	0.09%	-2.29%	4.83

Next FOMC meeting: May 3rd 2023.

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

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $28,449 representing a 0.33% increase the last 24 hours and 0.13% increase in trading volume. The funding rate of BTC is 0.0016%.

ETHEREUM

ETH is trading at $1,793 as of this writing, representing a 24-Hour decrease of 0.13% and a funding rate of 0.0041%. Over the last 24 Hours, the trading volume decreased by 6.39%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Crypto Hardware Wallet Maker Ledger Raises Most of $109M Round

Ledger has raised most of a €100 million ($109 million) funding round at a €1.3 billion ($1.4 billion) valuation, the company told Bloomberg. Media outlets first reported on a potential new capital raise last August. The collapse of centralized crypto exchange FTX and recent U.S. regulatory actions against competitor Binance have made many digital asset owners wary of leaving their tokens in the hands of others. Ledger's hardware products allow users to store their assets in a secure, physical location. "Suddenly people were like 'wow, to leave crypto on an exchange is actually dangerous,'" Ledger CEO Pascal Gauthier, told Bloomberg. "And 2023 is even better for us because now you can't even leave money at a Swiss bank."

2 - Fair crypto laws 'possible' in the US but needs 'a lot of work' — Crypto Council adviser

There are still industry executives that remain hopeful the United States will develop laws to treat crypto fairly; however, an adviser to the Crypto Council for Innovation warns it will take "a lot of work." Crypto Council for Innovation adviser and co-founder of Odsy Network, Sean Lee, said that fair treatment of the crypto industry is possible in the United States. He commented that financial reform was addressed following the 2008 financial crisis so there is no reason the same cannot be applied to crypto.

3 - USDT market dominance reaches highest level since June 2021

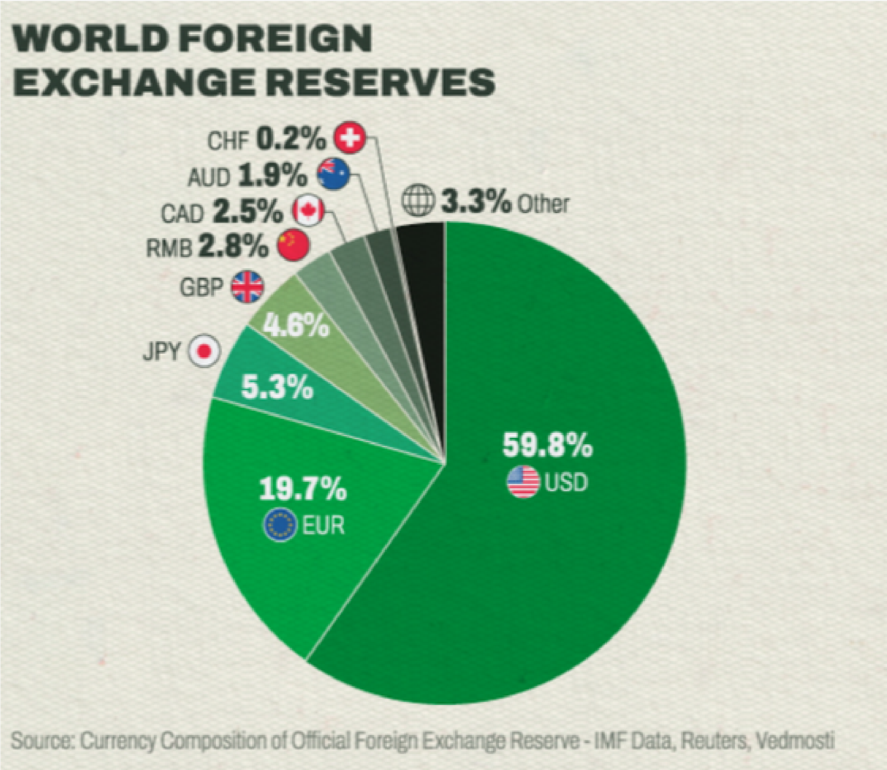
In March, the total market capitalisation of stablecoins fell 1.34% to $133bn (data up to 20th March), the lowest stablecoins market cap since September 2021 and the twelfth consecutive month of decline. The fall in market cap follows the depeg of multiple stablecoins after the collapse of USDC's banking partner– Silicon Valley Bank. With BUSD halting the minting of new tokens, and USDC facing uncertainty following the collapse of its partner bank, USDT continues to strengthen its stablecoin dominance. As a result, USDT's market share now stands at 57.5%, its highest share since 20th June 2021.

(1) https://www.coindesk.com/business/2023/03/30/crypto-hardware-wallet-maker-ledger-raises-most-of-109m-round-bloomberg/
(2) https://cointelegraph.com/news/fair-crypto-laws-possible-in-the-us-but-needs-a-lot-of-work-crypto-council-advisor
(3) https://blog.cryptocompare.com/stablecoins-cbdcs-report-march-2023-8f087b82a372

TradFi

Something very interesting that isn't being covered by traditional news outlets, at least in North America, is the idea that Russia is planning on using Chinese Yuan instead of USD to settle trades with Asia, Africa and Latin America. With time, this could potentially push the US dollar to lose its reserve currency status. Also, China and France recently completed their first Yuan-settled LNG trade. This trend is called "De-Dollarization".

The US dollar still dominates the foreign exchange reserves.



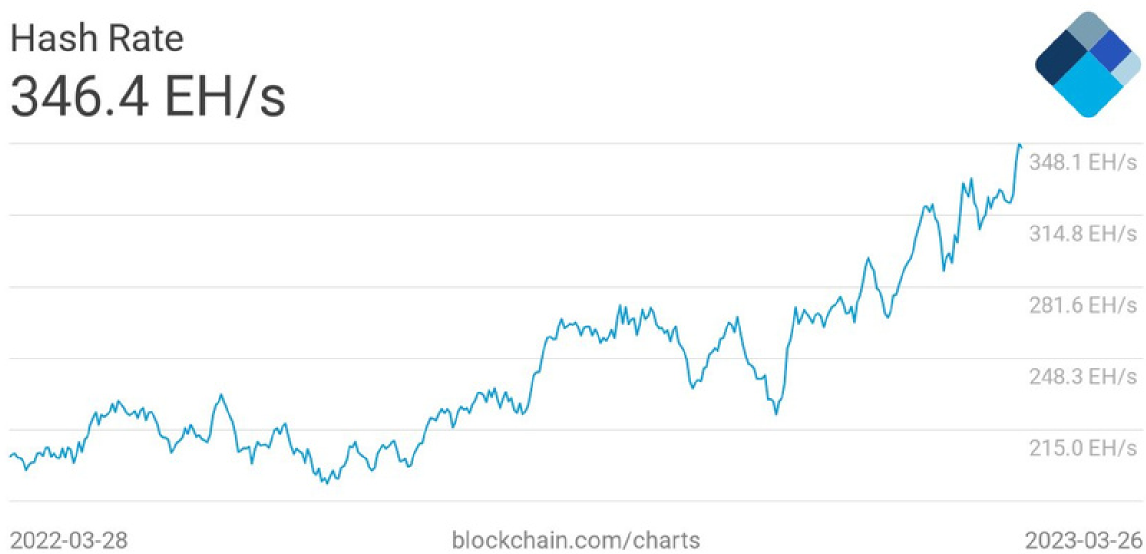
In other news, the final GDP reading for 4Q2022 came out at 2.6%, below estimates of 2.7%. Weekly jobless claims increased by 7,000 to 198,000, reinforcing the idea that the Fed may slow down its rate hiking campaign as the labor market is softening.

Nasdaq continues to push higher despite the 2y-yield ticking higher as well. We have raised a support level to 12,625 but the 12,350 level remains a very important level to track.

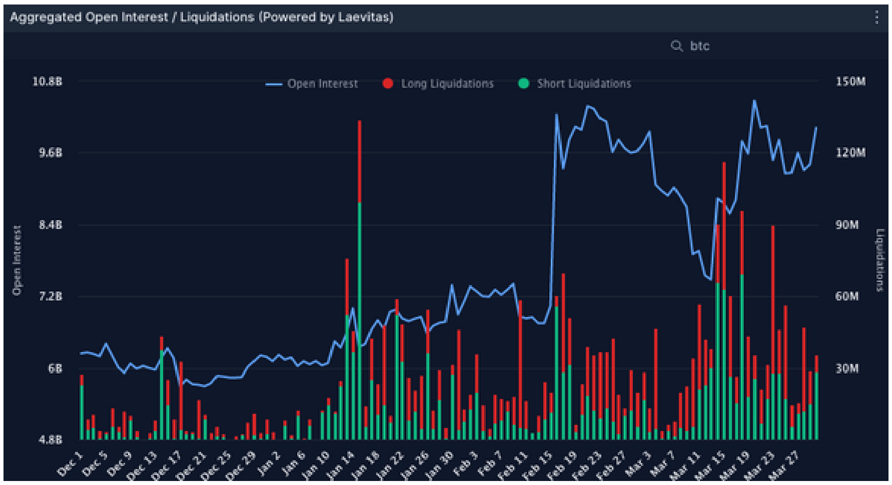
Upcoming:
-- Friday → Core PCE

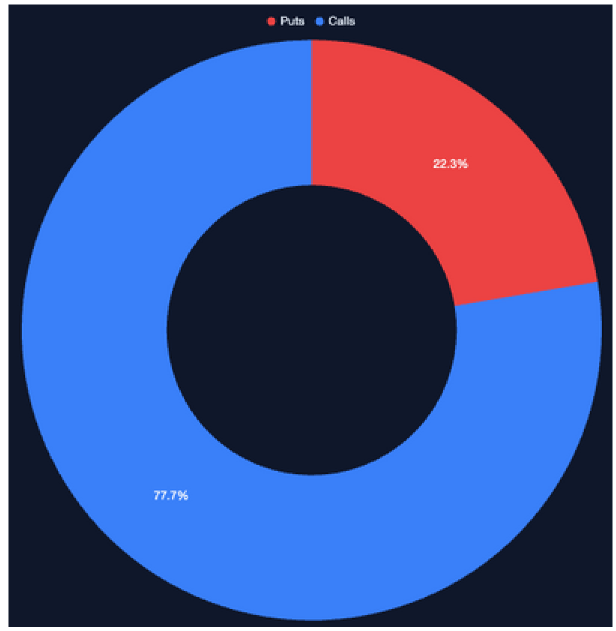
Bitcoin & Ethereum

As much as BTC is trading much lower than its record high, the Bitcoin hash rate continues to make new all-time highs. More computational resources are being utilized to mine blocks while more electrical power is being consumed. Clearly, more Bitcoin miners are participating in validating the transactions, thus keeping the network secure.



Open interest has been ticking higher lately but we still haven't surpassed the recent highs posted near the end of February. Looking at options, we notice more and more calls over puts, indicating a positive sentiment on behalf of option traders. Tomorrow marks the end of March and we are looking at a massive options expiry taking place.





BTCUSDT continues to range within its broadening wedge pattern, just like ETHUSDT. Last night around 10pm EST, prices popped from 28,400 to 29,200 before dropping right after towards 28,100. In periods of low volume, it is much easier for big traders and investors to move the market with big positions. The US dollar index is falling which is providing support for risk assets like crypto and stocks.

yacine.ouldchikh published on TradingView.com, Mar 30, 2023 09:40 UTC-4

TradingView

OVERVIEW

Altcoin Analysis

Another coin we haven't heard about in a while is Stellar (XLM).

The decentralized currency exchange is one of the best platforms for facilitating faster and easier international financial transactions.

In an interview in March 2022, Stellar CEO Denelle Dixon mentioned that despite the military conflict with Russia, Ukraine is still working with Stellar on its central bank digital currency (CBDC). Talks have obviously slowed down due to the crisis but the project may very well still be in play.

XLMUSDT just broke above a declining trend channel that has been in place since the meltdown in May. The RSI looks overextended which leads us to believe that a pullback is near.

An ideal entry for a long position if you missed the breakout would be between $0.092 - $0.097. As long as prices remain above this price range, we expect further momentum towards the next resistance levels of $0.115 and $0.13 in extension.

Despite Stellar being a potential competitor to Ripple to offer banking products, the latter (XRP) continues to outperform XLM.

yacine.ouldchikh published on TradingView.com, Mar 30, 2023 10:28 UTC-4

TradingView

OVERVIEW

Daily Insights

11. U.S. Dollar is Losing its Reserve Currency Status

https://twitter.com/GRDecter/status/1641179425315360769

“De-Dollarization is happening everywhere. Central Banks bought gold at a faster pace last year than they have in any year since 1987. This signals a desire for countries to back their own currencies with gold rather than the US Dollar.”

2. FDIC Chair Grilled Over Crypto-friendly Bank Takeovers

https://blockworks.co/news/fdic-grilled-crypto-bank-takeovers

“Around $4 billion in deposits tied to Signature Bank’s crypto business are set to be returned next week amid growing scrutiny around the Federal Deposit Insurance Corporation (FDIC).”

3. U.S. Share of Blockchain Developers is Shrinking

https://www.developerreport.com/developer-report-geography

“The U.S. is losing 2 percent market share per year for the last five years and is now down to 29% market share. This threatens US preeminence in finance and technology.”

Disclaimer

This research is for informational use only. This is not investment advice. Other than disclosures relating to Secure Digital Markets this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates, and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate.

Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The price of crypto assets may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments. We and our affiliates, officers, directors, and employees, excluding equity and credit analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research.

The information on which the analysis is based has been obtained from sources believed to be reliable such as, for example, the company’s financial statements filed with a regulator, company website, company white paper, pitchbook and any other sources. While Secure Digital Markets has obtained data, statistics, and information from sources it believes to be reliable, it does not perform an audit or seek independent verification of any of the data, statistics, and information it receives.

Unless otherwise provided in a separate agreement, Secure Digital Markets does not represent that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located. Secure Digital Markets and their officers, directors and employees shall not be responsible or liable for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses, or opinions within the report.

Crypto and/or digital currencies involve substantial risk, are speculative in nature and may not perform as expected. Many digital currency platforms are not subject to regulatory supervision, unlike regulated exchanges. Some platforms may commingle customer assets in shared accounts and provide inadequate custody, which may affect whether or how investors can withdraw their currency and/or subject them to money laundering. Digital currencies may be vulnerable to hacks and cyber fraud as well as significant volatility and price swings.

Contact Us

Start trading with Secure Digital
Market today by e-mailing:

TRADING@SECUREDIGITALMARKETS.COM

SECUREDIGITALMARKETS.COM

SECURE DIGITAL MARKETS

SECUREDIGITALMARKETS.COM