MARCH 7 - 2023

DAILY MARKET REPORT

SECURE
DIGITAL MARKETS

Institutional research.

OVERVIEW

Markets Insights

	S2	S1	R1	R2	24HR %	7D %	30D %	YTD %
Bitcoin	20,200	21,400	23,100	24,000	-0.10%	-3.67%	-2.55%	35.62%
Ethereum	1,365	1,500	1,680	1,780	0.13%	-3.13	-4.44%	-3.56%
Nasdaq	11,650	11,950	12,900	13,700	-0.11	1.82%	-1.78%	11.55%
US Dollar Index	102.65	103.75	105.60	108.00	0.17%	-0.32%	1.07%	0.97%

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $22,118 representing a 1.58% decrease the last 24 hours and 19.18% increase in trading volume. The funding rate of BTC is 0.0028%.

ETHEREUM

ETH is trading at $1,547 as of this writing, representing a 24-Hour decrease of 1.56% and a funding rate of 0.0007%. Over the last 24 Hours, the trading volume increased by 14.86%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Thailand offers tax breaks for companies issuing investment tokens

Thailand’s cabinet on Tuesday agreed to waive corporate income tax and value-added tax for companies that issue digital tokens for investment, a government spokeswoman said. Companies will have access to alternative ways of raising capital through investment tokens in addition to traditional methods like debentures, Rachada Dhnadirek told reporters at a news conference. The government estimates that there will be 128 billion baht ($3.71 billion USD) worth of investment token offerings over the next two years, Rachada said, and that the government would lose tax revenue worth 35 billion baht. The country’s central bank and other regulators, however, have banned the use of digital assets as a means of payments, saying it could impact the country’s financial stability and overall economy.

2 - Yuga Labs’ first Bitcoin NFT auction nets $16.5M in 24 hours

The auction for Yuga Labs’ inaugural Bitcoin Ordinal nonfungible token collection has ended, netting the firm $16.5 million in just 24 hours. A total of 288 bidders won one of the Bitcoin NFTs from the “TwelveFold” collection. Yuga said the winners will receive their inscription within one week, while the unsuccessful bids will have their bid amount returned within 24 hours. The auction yielded 735 Bitcoin BTC worth an estimated $16.5 million at current prices. The highest of the 288 bidders paid just over 7 BTC or $161,000 for one of the pieces.

3 - White House ‘aware’ of the Silvergate situation, says spokeswoman

The Biden Administration is “aware of the situation” at Silvergate and will continue to monitor reports on the troubled bank as it unfolds, according to a White House spokesperson. Speaking at a press briefing on March 6, Press Secretary Karine Jean-Pierre said the White House hasnoted that Silvergate marked another major crypto firm to “experience significant issues” in recent months but declined to go into further specifics on the firm.

(1) https://www.reuters.com/article/idUSL4N35F290
(2) https://cointelegraph.com/news/yuga-labs-first-bitcoin-nft-auction-nets-16-5m-in-24-hours
(3) https://cointelegraph.com/news/white-house-aware-of-the-situation-at-silvergate-says-spokeswoman

OVERVIEW

TradFi

The equity market is trying to grind slightly higher this morning ahead of Jerom Powell's latest comments on the state of the economy.

Goldman Sachs initiated coverage of Apple with a buy rating lifting the tech stock as well as the rest of the market. Apple ($AAPL) makes up about 7% of the S&P500. It feels like we're trading in a 2020 market environment where a select few growth stocks are significantly impacting the overall market which makes us wonder if this recent trend is nearing exhaustion.

Meta Platforms is rising in the premarket as Bloomberg reported that the social media giant is planning another round of job cuts, less than four months after it trimmed 13% of its workforce in an attempt to reach profitability.

Looking at the Nasdaq daily chart, we can see that prices are currently hesitating near the breakout of the previous double top pattern, potentially serving as short-term resistance. Zooming in to an intraday chart, we notice that prices broke above the declining trend channel that we previously shared, adding fuel to the bulls to push higher. Prices then pulled back right off the 61.8% Fibonacci level as well as the declining trend line in place since the start of February. The index is looking for direction. If prices break above 12,500 we can expect to reach the recent highs. However, if prices break below 12,300 we can expect to trade towards the breakout of the previous trend channel pattern.

This morning at 10am EST, we're expecting the Fed Chair Jerome Powell to testify at the Senate Banking Committee to explain how the Fed is thinking about inflation and its rate hiking campaign.

The volatility index (VIX) is trading near a support zone which should lift the index in the short term. If this is the case, it would translate into bearish pressure for the equity market.

In other news, the Reserve Bank of Australia raised its cash rate by 25 basis points to a 10-year high of 3.6%.

Finally, crude oil prices pulled back slightly overnight after China posted a decline in imports of 10.2% YoY, below expectations of -5.5% over the first two months of 2023.

Next FOMC meeting: March 22nd 2023.
- Probability of a 25bps hike → 70.8%
- Probability of a 50bps hike → 29.2%

Upcoming
- March 7th → Fed Chair Powell Testifies at Senate Banking Committee
- March 8th → ADP Non-Farm Employment Change
- March 10th → Non-Farm Employment Change
- March 14th → CPI
- March 15th → Retail sales & PPI
- March 22nd → FOMC meeting


yacine.ouldchikh published on TradingView.com, Mar 07, 2023 09:00 UTC-5
NASDAQ 100 E-mini Futures, 1D, CME_MINI +21.50 (+0.17%)
NASDAQ
Double Top
13700.00
12900.00
12345.00
11950.00
11650.00
11350.00
10850.00
2022
Mar
Apr
Jun
Aug
Sep
Nov
2023
Mar
Apr
Jun
TradingView


yacine.ouldchikh published on TradingView.com, Mar 07, 2023 09:00 UTC-5
NASDAQ 100 E-mini Futures, 4h, CME_MINI −17.75 (−0.14%)
Nasdaq - 4h timeframe
88.60%(12803.25)
78.60%(12695.50)
61.80%(12514.50)
50.00%(12387.25)
38.20%(12260.25)
12500.00
NQH2023
12345.00
12300.00
12273.00
12222.00
12213.75
12132.00
Feb
Mar
TradingView


yacine.ouldchikh published on TradingView.com, Mar 07, 2023 09:01 UTC-5
Volatility S&P 500 Index, 1D, CBOE +0.17 (+0.91%)
Volatility Index (VIX)
point
40.00
38.00
36.00
34.00
32.00
30.00
28.00
26.00
24.28
22.45
20.22
20.14
Pre 18.78
VIX 18.78
07:28:54
16.00
14.00
80.00
60.00
43.54
0.01
−0.22
−0.23
−2.50
Sep
Nov
2022
Mar
May
Jul
Sep
Nov
2023
Mar
May
TradingView

OVERVIEW

Bitcoin

Not much happening with Bitcoin overnight as we continue to trade within the tight range of $22,150 and $22,650. Prices remain below their 50-day moving average, meaning the trend is now bearish.

Looking at the 4h chart, we can see that prices are still trading within a rising trend channel in place since mid-January. Prices are flirting with the lows of this pattern. Either this serves as a great entry for a long position given its risk reward, or we're getting ready to break on the downside and reach lower levels.

In other news, we had the biggest stablecoin net exchange inflow of $1.4b since Nov 18.


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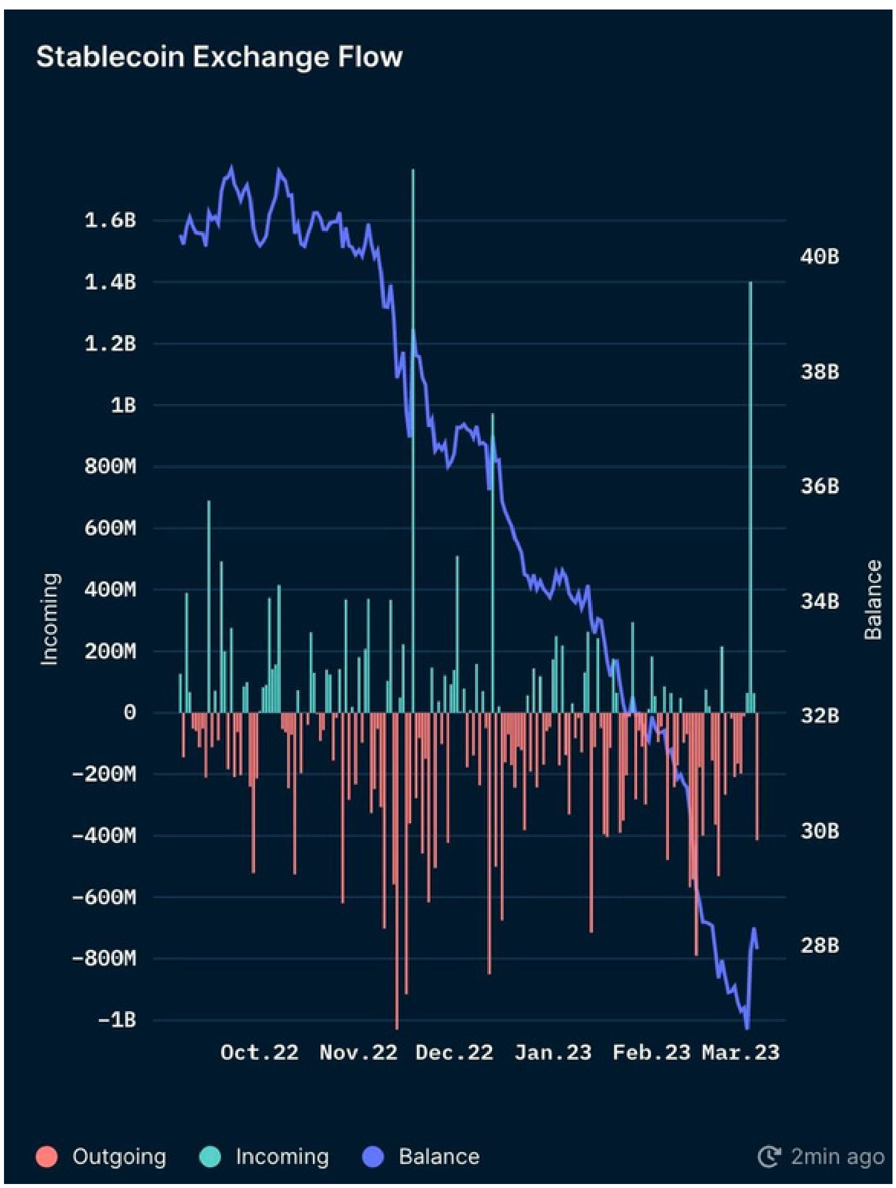
Bitcoin / TetherUS, 4h, BINANCE +12.82 (+0.06%)
USDT
25600.00
25200.00
24800.00
24400.00
24000.00
23600.00
23419.67
23178.47
22850.75
22389.92
BTCUSDT
22363.84
01:41:21
22000.00
21600.00
21200.00
20800.00
20400.00
20000.00
19600.00
19200.00
18800.00
100.00
50.00
40.66
1000.00
500.00
32.70
−108.15
16
23
27
Feb
6
13
20
24
Mar
6
13
20
TradingView


Stablecoin Exchange Flow
1.6B
1.4B
1.2B
1B
800M
600M
400M
200M
0
-200M
-400M
-600M
-800M
-1B
Incoming
40B
38B
36B
34B
32B
30B
28B
Balance
Oct.22
Nov.22
Dec.22
Jan.23
Feb.23
Mar.23
Outgoing
Incoming
Balance
2min ago

OVERVIEW

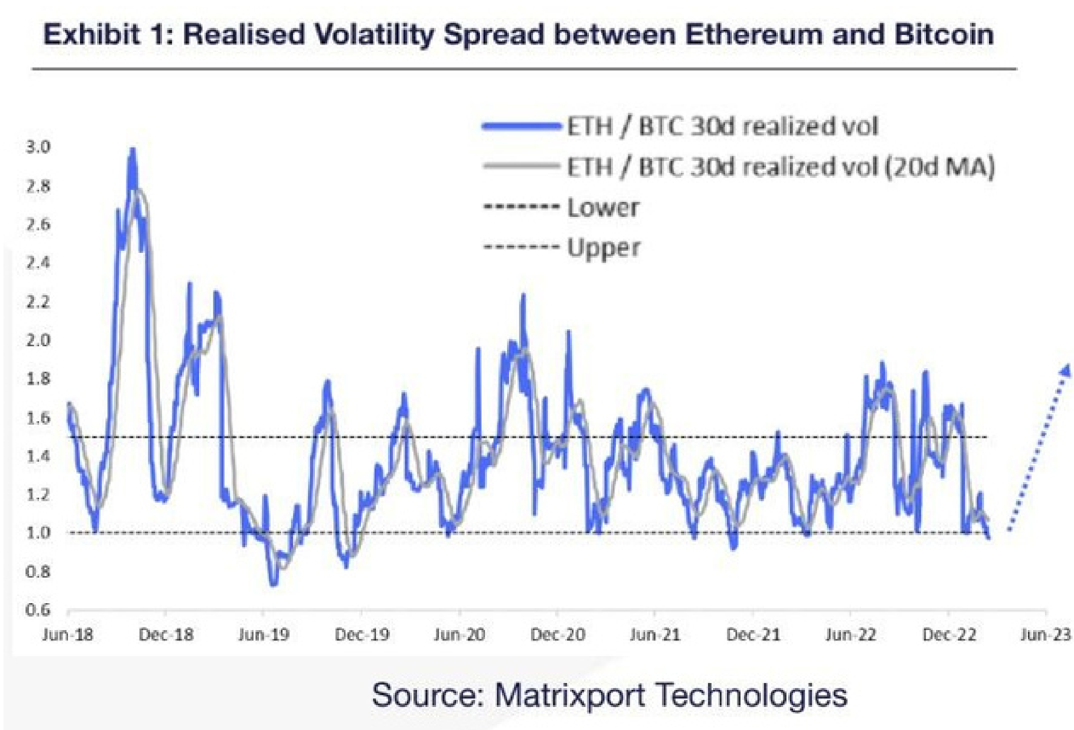
Altcoin Analysis

The Ethereum network has recently surpassed 1.9 billion transactions.

Despite the obvious potential of Ethereum in the blockchain world, it seems that #2 is ready to take a breather.

The overall interest in the ETH NFT market has declined. According to Santiment, the number of NFT trades on the Ethereum network fell over the past month which also impacted the average gas usage on the network.

The volatility for ETH has come down quite a bite. Some traders are suggesting to sell BTC call options to collect the premium and use it to purchase ETH call options instead. The upcoming Ethereum Shanghai upgrade should technically bring in more volatility and make ETH call options pricier relative to BTC call options which would then lift the spread between the annualized 30-day realized volatility of ETH and BTC from its historically low level.



Looking at the chart, ETHUSDT seems to have reached a temporary top as well as Bitcoin. For now, the technical outlook is neutral with a bearish bias. However, if prices break below 1,500 it would confirm the breakdown of a double top pattern which would send prices lower towards 1365.

OVERVIEW

DAILY INSIGHTS

1. Foobar Sells the Delegation Rights to his Cryptopunk for 1 ETH

https://twitter.com/0xfoobar/status/1632876645462732800

“Liquid Delegate helps people tokenize and trade their future NFT utility, without any of the counterparty risk.”

2. Tornado Cash Returns as Privacy Pools

https://twitter.com/ameensol/status/1632083054272430080

“Now, users have the option to help regulators isolate illicit funds, without revealing their entire transaction history.”

3. Four Killer Features of Polygon’s zkEVM

https://twitter.com/0xPolygon/status/1632825638749872128

“Polygon Labs is preparing for the end-game of Ethereum scaling.”

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Market today by e-mailing:

TRADING@SECUREDIGITALMARKETS.COM

SECUREDIGITALMARKETS.COM

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