



FEBRUARY 21 - 2023

DAILY MARKET REPORT



SECURE
DIGITAL MARKETS

Institutional research.

Markets Insights

KEY METRICS					
PAIRS	SPOT PRICE	24 HR CHANGE	LOW	HIGH	FUNDING RATES
BTC/USD	\$24,679	-1.03%	\$24,563	\$25,126	0.0100%
ETH/USD	\$1,678	-1.72%	\$1,670	\$1,714	0.0100%
XAU/USD	\$1,836.40	-0.31%	\$1,829.90	\$1,845.00	
USD/CAD	1.3519	0.51%	\$1.3440	\$1.3530	
EUR/CAD	\$1.4400	0.16%	\$1.4326	\$1.4408	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$24,679 representing a 1.03% decrease the last 24 hours and 16.94% decrease in trading volume. The funding rate of BTC is 0.0100%.



ETHEREUM

ETH is trading at \$1,678 as of this writing, representing a 24-Hour decrease of 1.72% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume decreased by 9.84%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1- Microsoft and Ankr partner to offer blockchain node infrastructure service

Microsoft partnered with web3 infrastructure provider Ankr to offer a node service for enterprises in need of blockchain data access. The two firms will work together on a new node hosting service in Microsoft's Azure cloud marketplace, with tailored memory and bandwidth specifications for blockchain nodes. The enterprise node deployment service would enable web3 projects or developers to deploy smart contracts, relay transactions and read or write blockchain data, according to a company release. "Our partnership with Ankr will enable developers and organizations to access blockchain data in a reliable and secure way as they explore how web3 can address real-world business challenges," said Rashmi Misra, Microsoft's general manager for AI and emerging technologies in the release. "Together, we are building a robust web3 infrastructure layer."

2 - Hong Kong Plans to Let Retail Sector Trade Larger Crypto Tokens Like Bitcoin

Hong Kong outlined a plan to let retail investors trade digital tokens like Bitcoin and Ether, taking a major step toward its goal of becoming a crypto hub in a policy shift that contrasts with a crackdown in the US. Individual investors would be allowed to trade larger coins on exchanges licensed by the Securities and Futures Commission, providing safeguards such as knowledge tests, risk profiles and reasonable limits on exposure are put in place, the regulator said in a consultation paper on Monday.

3 - FTX Japan to resume crypto and fiat withdrawals on Feb. 21

FTX Japan, the Japanese subsidiary of the collapsed crypto exchange FTX, will resume crypto and fiat withdrawals from Feb. 21. Withdrawals will be processed via the Liquid Japan web platform, it said in a company statement. FTX acquired Liquid in 2022. Customers with assets on the exchange will have to confirm their balance. Users without an account on Liquid Japan will need to open one to withdraw their assets, the company added. FTX Japan said that it had contacted all users with funds on the platform. The company said these users have been informed of the withdrawal procedure. FTX Japan urged users to be mindful that the process could be slow, given the volume of pending requests.

(1) https://www.theblock.co/post/213554/microsoft-and-ankr-partner-blockchain-node-infrastructure-service?utm_source=cryptopanic&utm_medium=rss
(2) <https://www.bloomberg.com/news/articles/2023-02-20/hong-kong-plans-to-let-retail-sector-trade-larger-crypto-tokens#ix4y7vzkg>
(3) <https://www.theblock.co/post/213517/ftx-japan-to-resume-crypto-and-fiat-withdrawals-on-feb-21>



OVERVIEW

Trader's Digest

Quite the busy week here, so let's review a few things worth monitoring.

The US PMIs are to be released this morning at 9:45 AM.

The FOMC Minutes will be released tomorrow afternoon; "some" members, aka Bullard and Mester, wanted a bigger 50 bps hike last meeting. So the question is, who else? "Some" = more than 1. "Various-Few" = more than 2? - IOTAF. Also, are we going to get hints on the terminal Fed Fund Rate?

In addition to a few Fed members speaking throughout the week and some short-end auctions, the US GDP figures will appear on Thursday.

Finally, the US Core PCE, more importantly, the "super core" or as Powell calls it, the "Core PCE Services ex-Housing," is up this Friday.

Right now, the market likes weak data and sells off on stronger-than-expected figures. What I mean is if we see lower inflation or growth data, the market will rally and vice.

The CPI and PPI of this past week certainly gave investors pause and even caused analysts to increase their PCE estimates. As a result, the Fed Fund Futures have been repriced and are now more than 80 bps higher than where they stood on February 2, the day before the January job report. The peak terminal rate is now seen at 5.3% in August, up from roughly 4.85%.



We can't talk about yields without looking at the US Dollar. Technically, DXY is still trading below last Friday's resistance, patiently waiting for tomorrow's notes to decide whether to break the 104.500 pivot point.



Bitcoin has been building significant volume above \$24,000, even though it is pressured lower every time it tries to trade above the \$25,000 pivot point. On the 4H time frame, Bitcoin has been forming an ascending triangle, which we need to track this week. On the daily, we are still seeing the effect of the golden cross, while the weekly, on the other hand, does show a death cross.

Let's monitor the \$25,200 high for a potential breakout toward the \$30,000 point of control, and the bottom part of the ascending triangle for signs of softening.



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TradingView

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Bitcoin / U.S. Dollar, 4h, COMBASE Q24574.25 H24796.92 L24490.81 C24771.79 +191.55 (+0.80%)



TradingView

OVERVIEW

Altcoin Analysis

Bitcoin has been outperforming the rest of the crypto market these last couple of weeks.

Despite its spectacular performance YTD, there seems to be a wall near the \$25,000 level which is preventing the bulls from reaching higher prices. Open interest has been ticking higher, potentially indicating that shorts are coming back.



BNBBTC and ETHBTC have come down quite a bit. But today, we will focus on a technical setup that should generate a good return if Bitcoin starts to pullback from the major resistance.

It might be time to short MATIC. Some would think it's a crazy idea given its recent performance. Let's go over the details.

MATIC has outperformed BTC by over 50% since the end of January. However, MATICBTC has reached the top-end of a long-term trend channel that was formed during the Summer of 2021, which should serve as a temporary cap.

Moving on with MATICUSDT, prices have started to pull back from the top-end of a rising trend channel that was in place since the Summer of 2022. We notice the formation of bearish divergence as prices made recent highs while the RSI was posting lower highs as is capped by a declining trend line, suggesting that the recent trend is approaching exhaustion.

As long as prices remain below \$1.57, we expect prices to continue lower towards the next support of \$1.31 before moving lower towards \$1.16.



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