FEBRUARY 15 - 2023

DAILY MARKET REPORT

SECURE
DIGITAL MARKETS

Institutional research.

OVERVIEW

Markets Insights

KEY METRICS					
PAIRS	SPOT PRICE	24 HR CHANGE	LOW	HIGH	FUNDING RATES
BTC/USD	$22,693	2.26%	$21,969	$22,816	0.0100%
ETH/USD	$1,574	1.21%	$1,537	$ 1,588	0.0100%
XAU/USD	$1,835.40	-1.06%	$1,831.60	$1,849.10	
USD/CAD	1.3430	0.71%	$1.3330	$1.3441	
EUR/CAD	$1.4337	0.14%	$1.4308	$1.4380	

BITCOIN

A snapshot of Bitcoin's spot price as of this writing is $22,693 representing a 2.26% increase the last 24 hours and 12.19% increase in trading volume. The funding rate of BTC is 0.0100%.

ETHEREUM

ETH is trading at $1,574 as of this writing, representing a 24-Hour increase of 1.21% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume decreased by 5.85%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.

OVERVIEW

Latest Digital Asset News

1- Abu Dhabi Starts $2B Initiative to Back Web3 Startups

Hub71, Abu Dhabi's tech ecosystem, has started a new $2 billion initiative to back Web3 and blockchain technology startups in the region. The Hub71+ Digital Assets ecosystem initiative will also provide startups access to a wide range of programs and potential corporate, government and investment partners, according to a press release on Wednesday. The program will also support businesses relocating to Abu Dhabi and promote startup growth in the Middle East and global markets. The initiative will be based at Hub71 in the Abu Dhabi Global Market financial district. FABRIC, the research and development hub of the First Abu Dhabi Bank (FAB), is the anchor partner of the initiative, which also includes crypto exchanges and service providers.

2 - Napster Revives Its Music Ambitions With Web3 Acquisition of Mint Songs

Napster said Wednesday it has acquired NFT music platform Mint Songs through its venture wing, Napster Ventures, to help bring the company into Web3. Mint Songs allows artists to turn their music into NFTs, as well as create exclusive art for their fans. “We are in an unprecedented era of innovation in the digital music space and it feels like there have been more music startups formed in the last two to three years than in the previous 20,” Jon Vlassopulos, CEO of Napster, said in a press release. “It’s inspiring to see so many talented teams pushing to create a music ecosystem that is better for artists and fans.” Napster plans to incorporate Mint Songs’ Web3 strategy and has hired former Head of Product Nate Pham to lead Napster’s Web3 product initiatives as well as former Mint Songs co-founder and Chief Technology Officer Garrett Hughes to serve as an adviser.

3 - USDC Issuer Circle Debunks Rumors Of Being SEC’s Latest Target

There have been rumors about the SEC giving out a Wells notice to Circle, the issuer of USDC. Usually, a Wells notice from the regulator discloses its intended legal action against a company, leaving it more time to prepare a response. On February 15, Dante Dispaerte, the Chief Strategy Officer and Head of Global Policy at CirclePay debunked the rumors. While responding to the tweet of a journalist at Fox News, he stated that Circle had not received a Wells Notice. The journalist Eleanor Terrett earlier posted that SEC issued a Wells Notice to Circle regarding its management and issuance of USDC, a stablecoin. At the time of writing, the journalist deleted the post.

(1) https://www.coindesk.com/business/2023/02/15/abu-dhabi-starts-2b-initiative-to-back-web3-startups/
(2) https://www.coindesk.com/web3/2023/02/15/napster-revives-its-music-ambitions-with-web3-acquisition-of-mint-songs/?utm_medium=referral&utm_source=rss&utm_campaign=headlines
(3) https://bitcoinist.com/usdc-issuer-circle-debunks-rumors-of-sec/

OVERVIEW

Trader's Digest

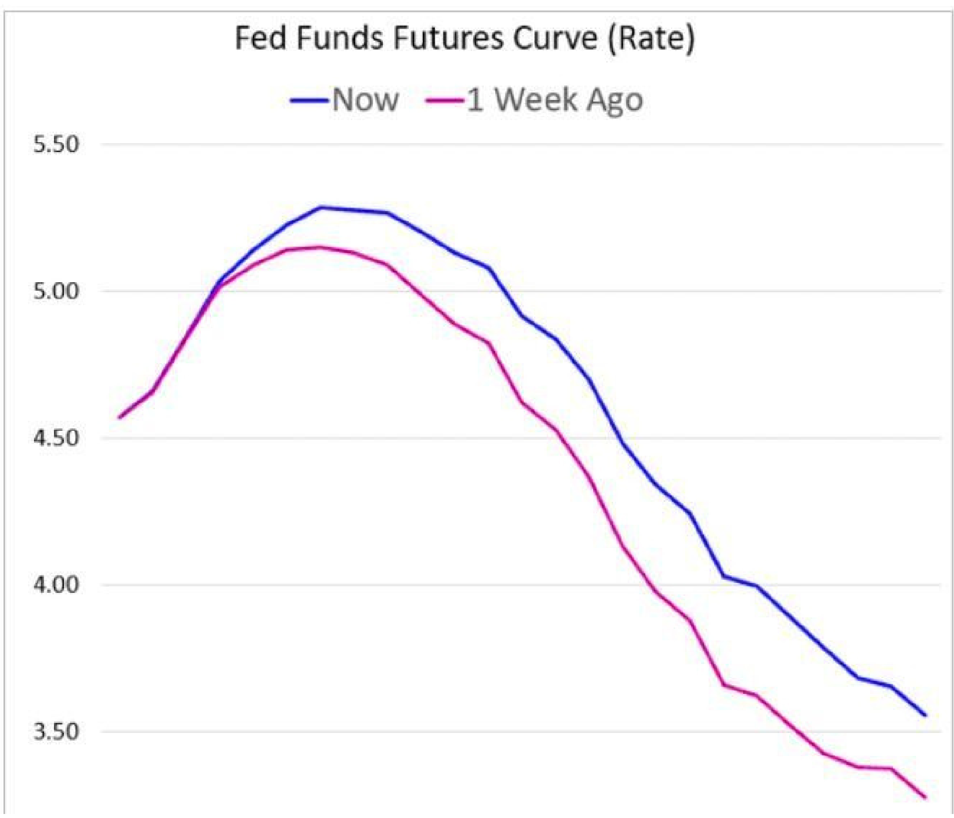
The US dollar climbed higher in the early European session after US consumer inflation remained elevated in January, while GBP sterling fell on the drop in the UK CPI rate.

DXY squeezed early this morning as US Retail Sales came in much stronger than anticipated. The initial reaction from the bond market was good news is bad news, especially at the long end of the curve, but the short end returned to P1 after the US10Y-US0Y Spread traded to new cyclical lows of -0.0910%.

The Fed Fund Curve and the US Market-Implied Terminal Rate increased to 5.3% yesterday.

Not only the US CPI supported the curve higher, but a wave of hawkish Fed commentary also confirmed the thesis.

For example, Fed Logan said; FOMC “must remain prepared to continue rate increases for a longer period than previously anticipated, if such a path is necessary to respond to changes in the economic outlook or to offset any undesired easing in conditions.”



Bitcoin rallied all the way back to the bottom of the three week consolidation we had between $24,000 and $22,500. Bear will love this squeeze, especially with the USD index breaking the 114.00 resistance level. Today could be quite pivotal for the leading cryptocurrency, so let's monitoir the most recent session high, as we are now trading at such a clean support/resistance level.

Looking at the weekly time frame, we are seeing the first ever death cross ever seen on Bitcoin, while the daily is giving us a fresh golden cross. Who will win?

For the daily time frame to win, Bitcoin has to bust through the 50 and 200 day moving averages on the weekly, and break into the low volume area. There's is a lot of work to be done, but let's keep an eye on the most recent $24,000 pivot point.

Finally, Binance USD (BUSD), the third-largest stablecoin by market cap, has roughly returned to its $1 peg after Binance CEO Changpeng Zhao, on Tuesday, commented on his exchange's connection to the popular Paxos-issued token.

Backed by short-term treasuries and cash-like assets, BUSD rallied to $0.9997 in European morning hours on Wednesday, recovering from a two-year low of $0.9950 hit after the New York Department of Financial Services (NYDFS) on Monday ordered Paxos to stop minting more of the tokens. “BUSD is not issued by Binance,” Zhao said during a Twitter Spaces on Tuesday. “We have an agreement to let them [Paxos] use our brand, but that's not something that we created.”

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