



FEBRUARY 13 - 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	\$21,669	-1.17%	\$21,539	\$22,060	0.0100%
ETH/USD	\$1,486	-3.00%	\$1,477	\$1,545	0.0100%
XAU/USD	\$1,858.50	-0.43%	\$1,853.20	\$1,867.30	
USD/CAD	1.3344	0.01%	\$1.3324	\$1.3381	
EUR/CAD	\$1.4288	0.29%	\$1.4236	\$1.4301	



BITCOIN

A snapshot of Bitcoin's spot price as of this writing is \$21,669 representing a 1.17% decrease the last 24 hours and 46.35% increase in trading volume. The funding rate of BTC is 0.0100%.



ETHEREUM

ETH is trading at \$1,486 as of this writing, representing a 24-Hour decrease of 3.00% and a funding rate of 0.0100%. Over the last 24 Hours, the trading volume increased by 90.19%. As of today, ETH holds 18.3% of the cryptocurrency market, making it the second-largest coin traded.



OVERVIEW

Latest Digital Asset News

1- SEC to sue Paxos for listing Binance USD stablecoin

The U.S. Securities and Exchange Commission plans to sue Paxos for listing the Binance USD coin, alleging it is an unregistered security, according to the Wall Street Journal. The SEC sent Paxos, a blockchain and trust company, a letter informing it of "a possible enforcement action," the WSJ reported, citing anonymous sources. The suit is reportedly for "violating investor protection laws." The move comes as U.S. regulators step up efforts to regulate cryptocurrency companies in the aftermath of exchange FTX's well-publicized collapse. Another exchange, Kraken, recently settled with the SEC after being charged for its "staking-as-a-service program."

2 - UAE Plans to Issue a CBDC to Promote Digital Payments

The central bank of the United Arab Emirates is planning to issue a central bank digital currency for domestic and cross-border payments as part of a new project to accelerate digital transformation. The issuance of a digital version of the UAE's dirham is one of nine initiatives of the central bank's Financial Infrastructure Transformation Program, announced on Sunday. According to the announcement, the first stage of the project sets up a "series of digital payment infrastructures and services" including the issuance of a CBDC for "cross-border and domestic uses. "These digital payment initiatives will drive financial inclusion, promote payment innovation, security and efficiency, and achieve a cashless society," the announcement said, adding that a digital dirham will "address the problems and inefficiency of cross-border payments and help drive innovation for domestic payments respectively."

3 - Brazil's Largest Public Bank Enables Tax Payments to Be Made With Crypto

Banco do Brasil, Brazil's largest public bank, has enabled the payment of taxes with cryptocurrencies, the bank said in a statement on Friday. The service is only available to customers with cryptocurrencies deposited with Bitfy, a startup specializing in blockchain solutions which BB's corporate venture capital arm has invested in. Other Bitfy clients — such as financial institutions and fintech companies — will also be able to allow their users to pay taxes and other obligations using the agreements signed by BB with various public service entities, the bank said. "The new digital economy is a catalyst for a future full of advantages. This partnership makes it possible to expand the use of and access to the ecosystem of digital assets with national coverage and with the seal of security and reliability of Banco do Brasil," Lucas Schoch, the founder and CEO of Bitfy, said in a statement.

(1) https://www.theblock.co/post/210919/sec-to-sue-paxos-for-listing-binance-usd-stablecoin-ws?utm_source=telegram&utm_medium=social
(2) <https://www.coindesk.com/policy/2023/02/13/uae-plans-to-issue-a-cbdc-to-promote-digital-payments/>
(3) https://www.coindesk.com/business/2023/02/13/brazils-largest-public-bank-enables-tax-payments-to-be-made-with-crypto/?utm_medium=referral&utm_source=rss&utm_campaign=headlines

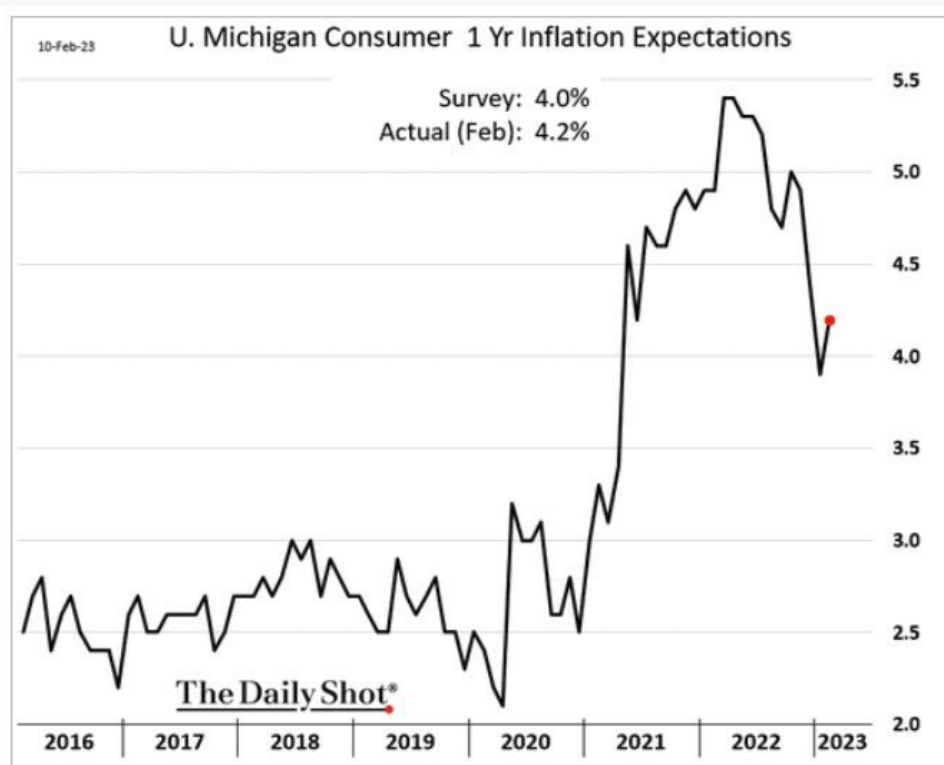


OVERVIEW

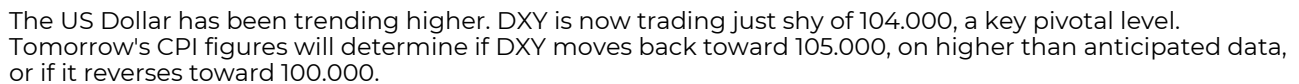
Trader's Digest

The bond market is trading near session lows in the early session, pushing the US Yields, especially the short end of the curve, to yearly highs. The US02Y is trading above 4.555%, in full technical breakout mode, potentially hitting that the numbers could be hot tomorrow.

Last Friday, the University of Michigan's 1-year inflation expectation rose to 4.2%, the first time it has increased in three months. Although it is still below its highs, it is consistent with the inflation swaps and the bond market trends. This suggests that inflation expectations are on the rise across multiple market indicators.



The market now expects the Fed to send the overnight rate near 5.2% before ending the tightening cycle, a total shift from what we've seen for that few weeks where the market didn't believe the Fed would have a terminal Fed Fund Rate above 5%.



US equities are in unknown territory, waiting for the figures to come out. On the 4H time frame, the S&P and Nasdaq are trading at their uptrend line. Quite simply, higher CPI, we break down; lower CPI, we squeeze higher.



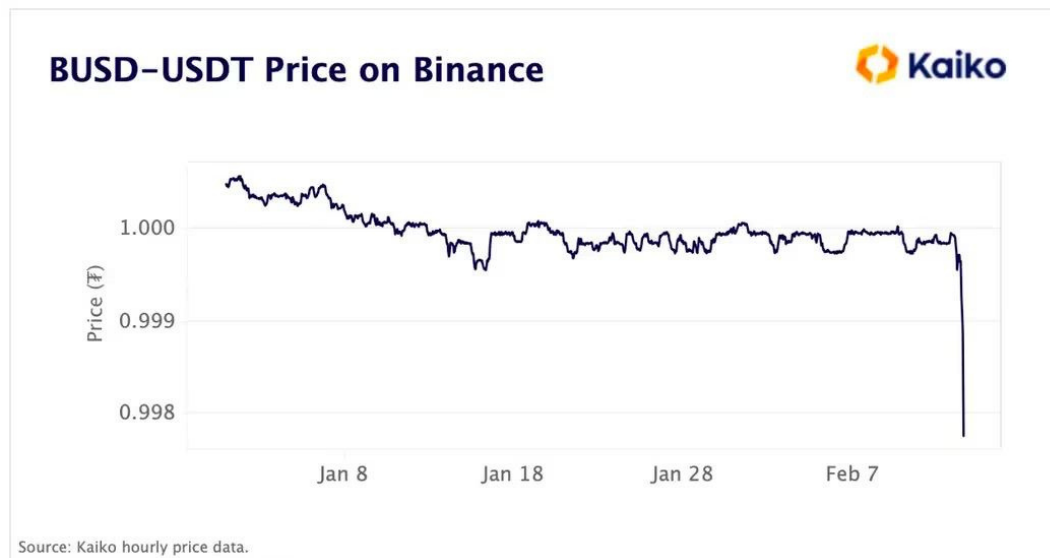
Bitcoin has been hovering below \$22,000, after breaking the three week consolidation last week. Just like the US Equities, Bitcoin's direction is dependant on the CPI figures tomorrow.



Now let's dive into a very interesting cryptocurrency update that came out this morning. Basically, BUSD stablecoin depegged from Tether after New York Regulator told Paxos to stop minting new tokens.

Early Monday, BUSD, designed to maintain a 1:1 value with the U.S. dollar, slipped into a discount of 0.9950 against USDT on Binance, according to Kaiko.

Paxos announced that it would cease the issuance of new BUSD tokens from Feb. 21 and end its relationship with Binance while assuring BUSD holders that every coin is backed by 1:1 with US dollar-denominated reserve.



"Essentially, by halting issuance of BUSD, there is no way for the stablecoin to grow. BUSD trading pairs will still be supported by Binance, but traders will gradually start to migrate to other stablecoins, which could be causing the discount on BUSD," Kaiko's research director Clara Medalie told CoinDesk.



The team at Secure Digital Markets will be doing more research on the topic, in the goal of giving you more information in the next couple days.

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